

NOTES *by* THE WAY

South America

1925



PRESENTED BY

**Mr. T. B. Macaulay**

1935

60878



J. B. Macanley Esq

With best regards from

Simard White

February 31.





*Printed for Private Circulation*

*Notes by the Way*

*in*

South America

WITH

THE PRESIDENT AND GENERAL MANAGER

OF

THE ROYAL BANK OF CANADA

BY

HON. SMEATON WHITE

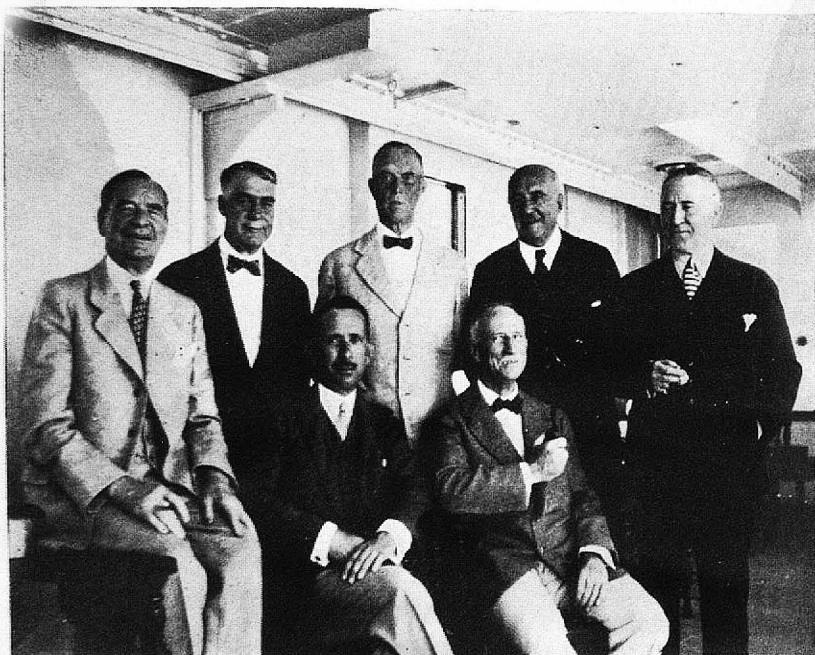
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MONTREAL

THE GAZETTE PRINTING COMPANY, LIMITED

1925



OUR PARTY

W. H. McWilliams, Hon. Smeaton White, Sir Herbert Holt, A. J. Brown, K.C.,  
Albert E. Dymont, C. E. Neill, G. Herrick Duggan.



## Notes of a Trip to South America with the President and Directors of The Royal Bank

THE party consisted of Sir Herbert Holt, President; Mr. C. E. Neill, General Manager; Messrs. A. J. Brown, K.C., G. Herrick Duggan, Albert E. Dymont, W. H. McWilliams, Directors; Mr. C. C. Pineo, the Supervisor for South America, and the Hon. Smeaton White.

Those from Montreal left on Thursday, 5th February, 1925, at 9 p.m., by the D. & H. for New York.

On Friday morning, all of the party met at the Royal Bank about mid-day, and then, as the guests of Mr. E. R. Kenzer, Sub-Governor of the Bank, went to the Federal Reserve Bank. We were entertained in one of the private dining-rooms of the Bank, and after lunch were shown over the building—or as much of it as we wished to see. *Friday,  
6th Feb.*

The Federal Reserve Bank building occupies an entire block and is one of the largest and most up-to-date of its character in the world. The architecture is plain and in good taste. The arrangement of the offices and banking rooms is of most modern conception. Below the banking rooms are three floors containing vaults, all well below the level of the street. The lowest of these vaults contains the gold supply, and the door, or entrance, to the vault room is of special design, revolving when it opens and shuts, like a huge ball, and when closed sinks two or three feet below the level of the floor, thus making it an absolutely solid column of steel. The metal in this door is several feet thick, and it is calculated that even by most modern methods it could not be drilled in less than several hours, if at all. As an additional protection this vault can

Friday,  
6th Feb.  
*Continued*

also be flooded. We were allowed to look into several cages, or rooms, strongly protected by steel bars, and filled with bright gold bars or piles of canvas bags containing \$20.00 gold pieces.

The vault room contained, at the time of our visit, about one billion dollars of gold. On the next two floors above there are similar strong rooms and vaults; the one immediately above the gold vault containing paper and silver currency, the upper or third vault being used for the safe keeping of securities.

The Federal Reserve Bank is the central bank or clearing house for all member banks in its district—the United States being divided into twelve banking districts, and New York, the most important, is, naturally, the chief office of the organization. Every national bank is required to become a stockholder, to the extent of 6 per cent. of its capital and surplus (of which 50% must be paid in), in the Federal Reserve Bank of the district in which it is situated. State banks and trust companies may also become member banks under certain conditions. On June 30th, 1923, there were 8,236 national bank members of the Federal Reserve system and 1,620 member state banks and trust companies, giving a total of 9,856 member banks. The largest district was Chicago with 1,434 member banks, the smallest Boston with 427 members.

The Federal Reserve Banks, except for open market purchase, do no banking business with the public, but only with their member banks. They may issue Federal Reserve notes against gold or commercial paper with a minimum gold reserve of 40 per cent. The whole system is under the control of the Federal Reserve Board, composed of the Secretary of the Treasury and the Controller of the Currency, both "ex-officio," together with six other appointed members. The primary function of each of the reserve banks is to hold the reserves of the



member banks and to issue Federal Reserve bank notes, which make up a large part of the United States paper money. Any member bank may deposit its commercial paper (promissory notes and bills discounted for customers) and receive in exchange bank notes or credits on the books of the reserve bank which count as "reserves." Thus an elastic currency is provided, which may be readily increased or decreased with the trend of business conditions, tending to prevent the recurring "panics" inevitable under the old banking system. If there are profits on the transactions made by the Federal Reserve, a dividend of 6% is allowed to the shareholders after providing for reserve and other necessary rest funds; any surplus over and above these charges is then paid into the Federal Treasury at Washington. The member banks send deposits to the Federal Reserve, and we saw large rooms filled with a busy staff sorting cheques and others sorting currency obtained in this manner. Hundreds of thousands of cheques and a large amount of currency are handled in this way daily.

*Friday,  
6th Feb.  
Continued*

In sorting the currency, all worn or damaged bills are put aside, made into packages of standard amounts and later cut in two by a guillotine cutter, half of the bill being shipped to the Treasury at Washington, where it is checked, and if the amount claimed is found correct, the remaining half is then despatched, the whole to be destroyed and replaced by a new issue, which keeps the paper circulation of the United States in creditable condition. In this manner the member banks obtain new currency when required, through the credits they have created by their deposits, or when necessary, they obtain further credit by depositing securities or rediscounting commercial or customers' paper.

The Federal Reserve Bank of New York employs a staff of 2,500, some departments working in three shifts, as the work has to go on continuously on

Friday,  
6th Feb.  
*Continued*

account of the deliveries coming in at different hours of the day and night.

A comfortable restaurant is provided for the staff, with private dining-rooms for the heads of the departments and superior officers. There is also a large and well-equipped Health Department and Hospital—all employees have to pass a medical examination before engagement, and receive medical and dental treatment free. Employees must also submit to a thorough medical examination at least once a year. We were greatly interested in and surprised at the magnitude and thorough organization of the business which has been created by this institution.

In the evening we were entertained at dinner at the University Club by Mr. Buchard, of the General Electric Company, and Mr. Young, Chairman of this corporation. There were about fifty guests, all prominent in financial, railway, and large commercial enterprises.

The guests were received in a large room in the upper part of the Club, and from the appearance of the side table it was evident that the prohibition liquor laws were not strictly observed in New York City. We were advised that the stock on view for preparatory potions, before dinner, which were served with the usual hors d'oeuvres, as well as the ones served at dinner, which were of very fine vintage, were from the private stock of Mr. Buchard, secured before the prohibition laws came into force. Mr. Buchard proposed the toast to his visiting Canadian guests, which was suitably replied to by Sir Herbert Holt, and several other short speeches were made during the evening, which was a most enjoyable one, and the entertainment generally all that could be desired.

Saturday,  
7th Feb.

The weather was fine and warm. We were quite busy during the morning making purchases

of items we had overlooked, but were considered necessary to obtain before sailing. Our ship, the "Voltaire," of the Lamport Holt Line, left the pier at 4.30 p.m., and although it had been warm in the city, we soon found a cool breeze outside the bay. The "Voltaire" is a new ship of 21,000 tons, built in 1923 and up-to-date in every respect. Being an oil-burner, there is no smoke or grit. The equipment and service were excellent. The smoke-room is designed as an old English inn with fire-place, burning coal, and the ceiling of heavy dark oak beams with filling between the beams of roughcast, with fancy stained windows at each end of the roof of the smoke-room, all giving a very comfortable and ornate effect.

*Saturday,  
7th Feb.  
Continued*

Our party had a table for eight in the dining saloon. Mr. A. J. Brown, K.C., and I were located in adjoining state-rooms with private bath between.

The weather continued warm and bright with a smooth sea, and we expected to have a very quiet trip, but in the afternoon a breeze got up which, during the night, developed into a fair-sized gale. The ship was very steady, and although there was a little rolling and pitching, we hardly noticed it. The day passed as is usual on board ship, with various deck games and getting acquainted with the other passengers.

*Sunday,  
8th Feb.*

The wind quieted down and the air was quite warm. We had reached the gulf stream and deck games were becoming more popular. The horse-race game was started on this date and continued every day during the voyage. Some twenty stations or chalk lines, about a yard apart, are marked on the deck and six toy horses placed on the starting line. Pools are then sold on the result of the race, the horses being numbered from 1 to 6. When the pool selling is closed, two ladies are asked to throw

*Monday,  
9th Feb.*

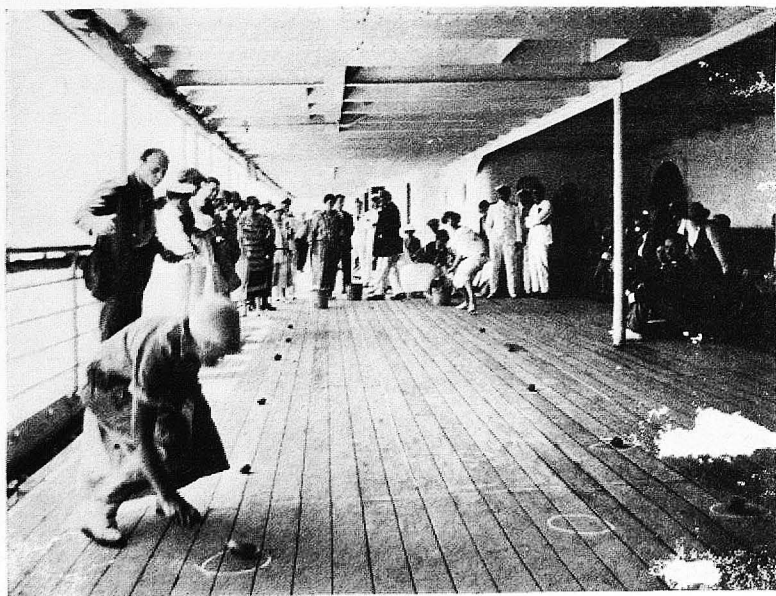
*Monday,*  
*9th Feb.*  
*Continued*

one dice each, one dice indicating the number of the horse and the other indicating the number of moves he may make on the chalk lines of the course. In this way some of the races are quite exciting and there are often close finishes.

In the evening there was a good deal of bridge. We had as fellow-passengers Mr. Wm. McMaster and Mr. T. E. Hodgson, and they became part of our group, so that we were generally able to get up two good bridge games for those who did not care to indulge in dancing.

*Tuesday,*  
*10th Feb.*

We began to notice the first flying fish, which followed us pretty well down for the rest of our voyage. Apart from this, however, there was very little life of any kind to be seen on the water, and we met but few ships on the whole voyage, only sighting one or two during the two weeks we were on the "Voltaire."



POTATO RACE ON BOARD THE "VOLTAIKE"



A salt water tank was erected and Mr. Duggan and I tried it at 7.20 a.m., and found the water comfortably warm. The weather, however, was cloudy with a strong wind which caused a little motion on the ship. *Wednesday 11th Feb.*

For the next few days there was the routine of ship-life—deck games, horse-racing, swimming in the tank during the day, with bridge and dancing at night.

Church service was held on Sunday morning, and on the night of the 17th there was a concert on deck. This function was made more than usually attractive by 200 Argentine sailors with their officers, who had taken two war-ships to Philadelphia for alterations, and were returning home after leaving these ships in the hands of the builders. *Sunday, 15th Feb. to 17th Feb.*

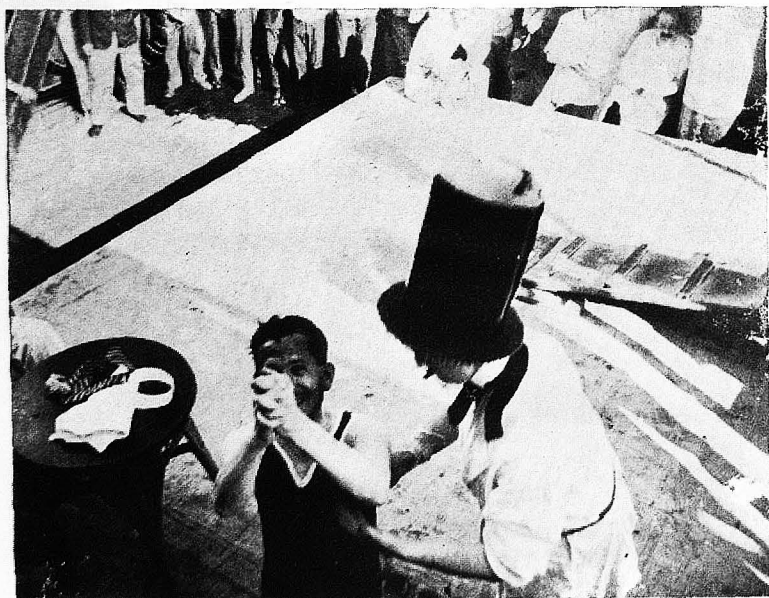
Amongst the novelties offered by these sailors were fights in which each contestant was armed with a club made of rope covered with canvas tied to his wrist. In one contest the opponents faced each other straddling a spar, from which the victor knocked his opponent to the deck. In another fight both contestants were blindfolded and crawled about the deck, but when they came in touch with one another there was some heavy punishment—much more amusing for the spectators than the contestants. They also gave us an exhibition of dancing the tango in costume—eight couples taking part, some of the men dressed as women, with bobbed hair made from manilla rope, very cleverly arranged, and short skirts, of brilliant colours.

The weather continued warm and to-day we sighted the coast of Brazil. *Wednesday 18th Feb.*

When we reached the Equator, the usual ceremonies were held in the afternoon. Father, or King Neptune—who was represented by Mr. McKenzie, of Sao Paulo—came aboard accompanied by

*Wednesday* his daughter; the Doctor; the Prosecuting Attorney;  
*18th Feb.* the Barber and his assistants; several policemen,  
*Continued* and a band consisting of a big drum and a couple  
of wind instruments. A parade was made around  
the deck, and finally the King, with long hair,  
flowing beard, and, of course, a crown and a three-  
pronged spear, arrived with his Court on the lower  
deck near the tank, when the ceremonies began.  
His daughter was decorated with a fair wig and very  
long plait, evidently manufactured from new manilla  
rope. The Doctor's head-piece was a real stove-pipe,  
while all the members of the party were bedecked  
in various coloured costumes, and one of the principal  
features seemed to be to make their noses and faces  
as brilliant as possible with red paint.

Some of the officers from the Argentine war-ship  
were in charge of the police, and as they did not  
speak English very well, a number of the victims to



THE GENERAL MANAGER CROSSING THE LINE

be initiated were arrested and put in the engineer's mess for safety. I happened to be one of these and missed part of the entertainment, although as soon as they realized what was happening, we were allowed out to await our turn on the deck and to see the others being put through.

*Wednesday  
18th Feb.  
Continued*

The victims were brought up before the Court and accused by the Prosecuting Attorney, of various crimes, each being allowed to make his own defence. Usually this defence was not accepted by the Court, which then passed judgment, usually involving treatment, first, by the Doctor—who had a large bowl filled with a soft coloured mixture, administered as a sedative, also several bottles filled with highly-coloured liquids which were applied either externally or internally, according to the disposition towards the victim of the Doctor and the Court. They were then passed on to the Barber, who performed a wonderful shaving treatment, and before he got through we were tossed into the tank.

Some of the victims were brought up blindfolded, while others were let off comparatively easy. The second victim on the list, Mr. McSweeney, who appeared fully dressed in his best clothes, was sentenced to be undressed and thrown into the tank. Mr. McSweeney fought nobly and protested against the outrage, but finally his coat, vest, collar and tie were taken from him, and his hands tied so that his trousers and other garments might be removed. When finally they got him undressed he was prepared with his bathing suit, so that the embarrassment was not nearly so great as some of the lady passengers had expected. He was then taken in charge by the Doctor and Barber, who finished him off and threw him into the tank.

Mr. Neill and Mr. McWilliams, of our party, received special attention, and although I, unfortunately, did not see their initiation ceremony, their appearance after it was sufficient evidence

*Wednesday* that neither the Doctor nor the Barber had spared  
*18th Feb.* them, and that a full dose of treatment had been  
*Continued* given to each. It was of no use, however, to be  
 anything but good-natured, as the Court and the  
 attendants who were with the King were only too  
 anxious to get hold of a victim who objected to receive  
 whatever sentence King Neptune passed on them.  
 The punishment was varied, the lady passengers  
 being treated very politely compared with what  
 was handed out to most of the members of our party.  
 Mr. A. J. Brown and I were summoned together.  
 Mr. Brown's name, through an error, had appeared  
 on the passenger list as "Hon.," and he was, as a  
 consequence, mistaken by the stewards and others  
 for the Senator instead of myself. He was accused  
 by King Neptune of misrepresenting himself in  
 this manner. My own crime was that of being a  
 Senator. The Court's sentence was that we buy  
 drinks for the members of the Court before dinner



MR. NEILL AND MR. McWILLIAMS AFTER CROSSING THE LINE



that day, and we might have got off with this had I not thought I would like to try the tank, having stood around the deck for so long; and in my endeavour to bring the Barber and his assistant with me, I got rather the worst of it, as it took me some days to get the barber's lather out of my hair.

*Wednesday*  
*18th Feb.*  
*Continued*

A fancy dress ball. Mr. McWilliams was outfitted by some of the lady passengers, and the lady manicurist of the barber shop who made him, if not a handsome, at least a most characteristic lady, was awarded the second prize in the costume competition; the first going to Miss Reil, who was dressed as a Honolulu girl. Mr. Neill represented a Roman slave, most of his costume consisting of his bathing suit and a red ribbon around his head; Mr. Dymment a Japanese, and I a Chef. Mrs. Bill, of Hartford, went as Lamport & Holt, having all kinds of shipping labels placed on a light summer dress, but towards the end of the evening many of these labels, which had mucilage on one side and were highly coloured on the other, yielding to the heat of the evening and effect of dancing, were coming off on her partners. Mrs. McSweeney created a sensation as a June bride in a characteristic costume, orange blossoms in her hair, a cherry blossom on her nose, several teeth missing, pantalettes and a muslin dress made with a series of flounces, and a highly developed sense of humour that made lots of entertainment.

*Thursday,*  
*19th Feb.*

The ball really began at dinner time, as everyone was expected to appear in costume. There was a generous supply of serpentine, balloons and other favours, so the general noise and mix-up was not long in starting, including a general exchange of table seats. Miss Norton, of New York, as a Japanese girl, Miss Strawn, a ballet dancer, Mr. Bond as a chief, Mr. Reil as a very tough-looking tramp, whom nobody recognized, Madame Reil as a Spanish lady, and many others of our fellow-passengers had very clever and well-designed costumes.

*Friday,  
20th Feb.*

Very pleasant day, and with the ship's regular routine the passengers by this time being well acquainted with one another, kept everything moving in the way of amusement. The Captain gave a special dinner to the passengers, after which Mr. Silas Strawn, of Chicago, presented prizes to the winners of the competition of costumes worn at the ball the night before; and also to the winners in the ship games held on the previous two or three days. He made a very complimentary speech to the Captain and his officers, as an appreciation from the passengers, and also was very happy in his remarks to the prize-winners. He then presented a special address from the passengers to Mr. Egon Mabardi and his brother, who had been most excellent in organizing the games and other entertainments during the entire voyage. Mr. Mabardi certainly deserved this mark of appreciation, as he contributed a great deal to the pleasure of the passengers and was indefatigable in his efforts to add to everyone's enjoyment of the trip.



FANCY DRESS BALL ON BOARD THE "VOLTAIRE"

We entered the harbour of Rio early—about *Saturday, 5 a.m.*—but I awoke in time to look out just as *21st Feb.* the ship was passing the Sugar Loaf Mountain, which stands on the western side of the entrance to the harbour, rising 1,200 feet high and gets its name from its conical shape. The harbour is one of the most picturesque in the world, several miles in depth and about two to three miles in width, surrounded by a series of high hills, the entrance protected by islands, some of which are in the harbour itself. The Port Doctor came aboard at 7 a.m., and the ship was cleared before breakfast. Our vessel was then brought alongside the pier and docked about 8.30, where we got cleared by customs without much trouble, and turned over our baggage to the hotel porter, who was on hand to receive us.

We were met by several members of the Royal Bank staff and Sir Alexander MacKenzie, President of the Brazilian Traction Light & Power Company. Sir Alexander MacKenzie invited Sir Herbert Holt to look over his city offices, car barns, shops and telephone exchange. He also invited Mr. Duggan, Mr. Dymont and me to accompany him. Sir Alexander first took us for a drive along the Avenida Rio Branco and then along Avenida Atlantica, which runs along the seafront and has a great many beautiful residences facing on it.

☉ Rio de Janeiro is a city of one and a quarter million, built on a comparatively narrow strip of land between the sea and the mountains, but with considerable length, running from ten to twelve miles along the shore. After an hour's drive we returned to the chief offices of the Power Company, which is a very considerable establishment. The shops, we were informed, are modern and well equipped with first-class machinery. In the central telephone exchange we saw about 200 girls at work displaying many shades of colour both in complexion and dress. These girls attend to over 12,000 calls daily. They

*Saturday,*

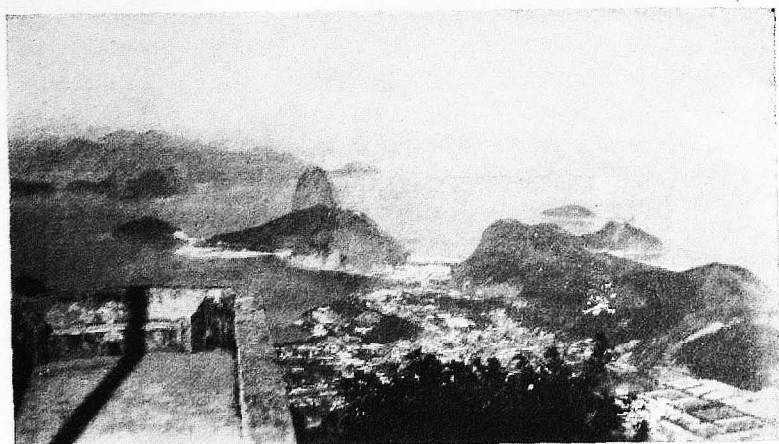
*21st Feb.*

*Continued*

were quite good looking and appeared to be bright and intelligent at their work, most of them, apparently, between 14 and 20 years of age. We were introduced to the engineering and executive staff, and Mr. Billings, the chief engineer in charge of construction, explained to Sir Herbert the plans of their present and new hydro-development on the Parahyba River, where electric supply for the light and power for the city of Rio is developed.

In 1905 there was practically no electric light or power in Rio de Janeiro, but to-day there are nearly 9,000 public electric arc lights, 1,200 incandescent public street, and 950,000 private electric lamps, making this city one of the most brilliantly electric-lighted cities in the world. On the Avenida Rio Branco, which runs around the shore of Botafoga Bay, a distance of about 4 miles, there are nearly 500 large electric arc lamps which, together with the lesser lights, make the shore line of Rio a magnificent sight at night. This only represents about half the shore line, the remainder being equally well lighted.

We next drove back to our hotel, The Palace, at Copacabana, for lunch and found a most comfortable



ENTRANCE TO THE HARBOUR AT RIO FROM CORCOVADO



and attractive hotel. The building itself is of reinforced concrete with large and handsome ball-rooms, assembly-rooms, as well as a Casino where all games of chance may be indulged in. About 3.30 p.m. we drove to the terminus of the incline railway up Corcovado. The incline railway, which is an electric trolley road supplemented by cogs on a third rail, mounts a steep grade over 2,000 feet in height to the summit of this hill, overlooking the city and harbour of Rio.

*Saturday,*  
*21st Feb.*  
*Continued*

Sir Alexander had a special car waiting for us on our arrival at the city station, as he had, in addition to Sir Herbert Holt's party, several other guests. We were fortunate in having a fine clear day, and the view from the top of the hill was wonderful. The foliage on both sides of the railway right-of-way is tropical and a great variety of flowering trees and palms were to be seen everywhere. The road is two and one-third miles in length and the primeval forests along the right-of-way seem to have been little changed since first discovered.

The road takes its passengers up the mountain side 1,280 feet, landing them at a point 130 feet below the summit known as the Hunchback or Corcovado Peak. After spending some time admiring the view from this peak, we again took the trolley for a short distance to an hotel which has been constructed about two-thirds of the distance up. Here we were interested in seeing an aqueduct, built about 200 or more years ago by the monks, who, apparently, were the principal government of Brazil in those days. It is still in a very fair state of repair and evidently covers a long distance. At the time of our visit there was a very good and attractive stream of water flowing in it. This was the original water supply for Rio, and is continued not only down the mountain side, but also on an extensive aqueduct running through a good part of the older portion of the city. The character of building on this aqueduct

*Saturday,*  
*21st Feb.*  
*Continued*

may be realized when it is appreciated that the Traction Company now use a section of it for the right-of-way to overcome grades in certain portions of the city. There is a fine view from the hotel, which is also quite good, and a favourite residence for the citizens of Rio during the very hot period in the year.

We returned to our hotel about 7 p.m., and at 8.30 Sir Alexander was host to our party at dinner, when we had an opportunity to appreciate the entertainment that these South American hotels can furnish. The Palace Hotel at Copacabana is, in a sense, outside the city proper, being located in a comparatively new suburb about four miles from the Bank, which is situated in the business centre. The Tramway Company is largely responsible for this development as this company has constructed a tunnel 400 yards long through one of the hills surrounding Rio and the trolley line runs out through this tunnel to the suburb, which has been a new



AVENIDA RIO BRANCO, RIO DE JANEIRO

but rapid development. A number of handsome residences, in addition to the hotel, are situated along the avenue facing the sea. There is a magnificent sand bathing beach and good surf, which makes the bathing popular in the early morning and late afternoon. Besides those who live in the neighbourhood, bathing is taken advantage of by a great number of people who drive out from the city in motors. Along the beach there are places indicated as the proper ones for bathers as the undertow is very heavy at certain points. At these designated places during the bathing hours—in the morning and evening—there are police guards as well as boats out, which constitutes a system of life-saving guards, the police and men in the boats being prepared to take the water if needed. The bathers are very careful to obey the signals from the guards, which indicated to us that the people in Rio de Janeiro were law-abiding and respected rules. These precautions are necessary, as there have been many drownings when bathers did not observe the regulations made by the authorities to use those parts of the beach specially selected as being safe.

*Saturday,  
21st Feb.  
Continued*

Although the service in the hotel was good, we were handicapped by not being familiar with Portuguese; and, in addition, we arrived on the Saturday before the Mardi Gras carnival, which was celebrated on Sunday and Tuesday. At this season everyone, including the hotel servants, expect to take part in the celebration, and the hotel management explained that as a consequence their service is more or less disorganized. We were, however, satisfied, although, no doubt, but for these special circumstances, we might have obtained even better service than that we had.

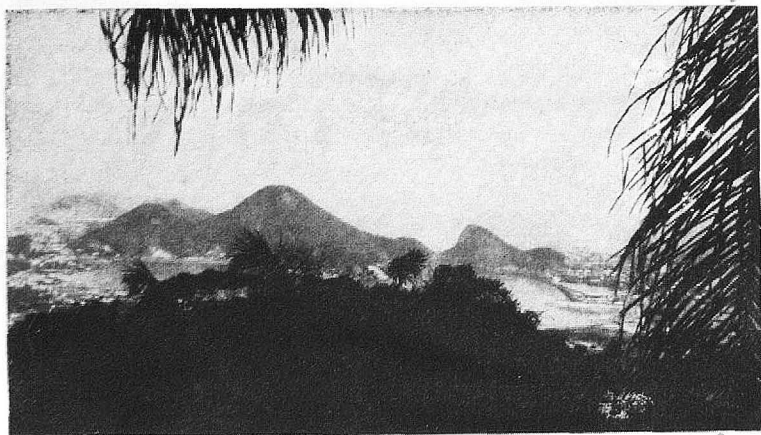
Some of our party took a drive to Tijuca, but I, with some others, drove into the city in the morning and had a look about the business streets. After

*Sunday,  
22nd Feb.*

*Continued*

lunch the motors began to pass in front of our hotel filled with people dressed in masquerade for the carnival. There were a great number of them, some of the costumes very well worth while; groups of young girls and young men dressed in the same coloured suits and altogether very attractive. In the evening we again drove into the city to see the carnival festivities. All along the route the road was full of men and boys selling confetti and serpentine, which was thrown from one car to another to such an extent that we saw it cleared away later in the evening in loads about the size of a load of hay. They also used a squirt bottle filled with perfume, which is not too pleasant, although, I understand, harmless, unless one happens to get it in his eyes.

The city of Rio has some fine buildings, not only government but also private ones, while the main avenues are wide and boulevarded with generally a section of grass or trees dividing them in the centre. Where the avenues front on the sea they are protected by substantial seawalls which are being rebuilt and placed farther out, thus making new



VIEW OF RIO FROM CORCOVADO



land which will extend the park system. The walk and seawall in front of our hotel at Copacabana was in a very dilapidated state owing to recent storms. There are, at times, violent gales, and as this part of the shore is exposed to the open sea, a tremendous surf comes in, making it necessary to have a very substantial wall, which is not easy to construct on the sand.

*Sunday,  
22nd Feb.  
Continued*

We made an early start, as Sir Alexander MacKenzie, with Mr. Billings, chief engineer of construction, and Mr. Sylvester, the resident Vice-President, had invited Sir Herbert and his party to visit the power plant at Lages. Mr. Rae, the local supervisor of the Royal Bank, accompanied us.

*Monday,  
23rd Feb.*

We left by private train on the Central Railroad of Brazil at 8.30 a.m., and after a ride of, approximately, 40 miles by the steam railway, transferred at a point called Belem, to the Power Company's own electric railway, where special cars were waiting. It is from 15 to 20 miles farther by this means of transportation to the power plant at Lages, popularly known as the "Dio das Lages," meaning "big rocks."

The scenery along both the steam railway and the Ramal de Paracamby electric railway was most interesting; the weather, though warm, was fine, and the party thoroughly enjoyed this part of the trip.

The original franchise for this development was obtained by Dr. F. S. Pearson, of Halifax, but Dr. Pearson did not live to see the development completed. The power house is a huge steel and concrete building 321 feet long, 95 feet wide and 111 feet in height, constructed to develop a capacity of 100,000 H.P., and transmit electric current to Rio de Janeiro through its transformers at 88,000 volts. The turbines are of the impulse type, mounted on vertical shafts developing power from jets of water directed tangentially against buckets attached to the rim of a wheel. To the same vertical shaft is attached the generator.

Monday.  
23rd Feb.  
*Continued*

There are six 9,000 H.P. Escher Wyss impulse turbines, and two 20,000 H.P. Escher Wyss turbines, all of the same type, made in Zurich. There are four exciters of 1,350 H.P. capacity.

The distribution system of the power house is divided into four sections connected by a "loop bus" system, so that any one or two sections may be cut out and the others connected by a suitable switching system. This makes it almost impossible to shut the station down completely. Every precaution is taken to avoid a shut-down, and very few power houses in any part of the world can equal the record of 1916, when power was not off the transmission line once during the year.

After visiting the power house a jet of water was turned on to show the force of this high pressure and came out almost like a cloud of steam, striking the opposite rock bank about 100 or more feet away. These rocks were full of holes made by the force of the water which had been turned on from time



BOTAFOGA BAY, RIO DE JANEIRO

to time against them in this way, the pressure being about 450 pounds to the square inch.

*Monday,  
23rd Feb.  
Continued*

After leaving the power house we went up to the top of the hill by a wire cable line to a point 1,000 feet above the power house. From this tractor railway there is a good view of the large pipe lines which convey the water from the dam to the power house in a series of four or five 8ft. diameter pipes, each one over 5,500 feet in length. For the balance of the distance, namely, about 2,200 feet, the water is conducted through tunnels in the rock.

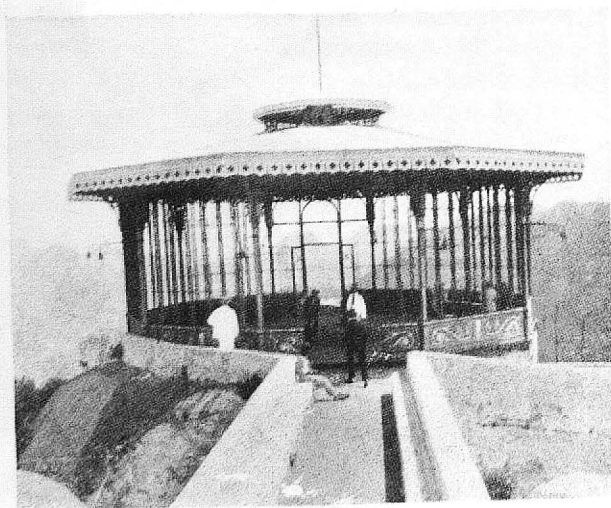
At the top of the incline mule teams were waiting, with buses accommodating from 4 to 6 passengers in each, and we were driven about a mile and a half farther to the residence of Mr. Thomas Bevan (the General Superintendent of the power plant at Lages), where we were received by Mrs. Bevan, and entertained at luncheon. Mr. Bevan has a most attractive place known in Brazil as a "fazenda," an old planter's house. It has been converted by the company, under Mr. Bevan's direction, into the headquarters for this division of the light and power, and a portion of the house is devoted to drawing-rooms and other accommodation for the activities of the engineers.

The farm is situated on a hill and overlooks well-kept gardens in which are seen a great variety of vegetables, flowering trees, shrubbery and flowering plants. Below the garden are long rows of little houses which formerly were the slaves' quarters in this Brazilian home; and alongside them are shops, stables and other buildings which originally would constitute the working establishment for a large estate.

Mr. Bevan has also constructed a fine swimming tank, and we agreed that—barring possible trouble from mosquitos and other biting flies, snakes or other crawling reptiles—it was a most attractive and pleasant place to live. Mr. Bevan makes a special

Monday,  
23rd Feb.  
*Continued*

study of the mosquito, as this district had at one time a rather unenviable reputation for fever, and he showed us a number of specimens he himself had captured and others he had secured, as he gives a bounty to all who bring him specimens. He pointed out that the malaria type of mosquito is quite a different little insect to the one they consider harmless, which is the same as we have in Canada. One of the differences between these two—the offensive and the inoffensive species—according to Mr. Bevan, who demonstrated this by exhibiting the different varieties in glass bottles, is that although both live in the water, the one apparently comes up for air head first, but the other one comes up tail first—the tail-first one being the bad or poisonous one. When Mr. Bevan secures a specimen of these fever-carrying mosquitos, he has the land drained and the grass cut and burned in the immediate district in which it is found, and takes other precautions to prevent him or his kind doing further damage. It is claimed that the mosquito does not migrate very far from



PAVILION AT TOP OF CORCOVADO



his native habitat, but the fever-carrying one will go farther afield than the harmless one.

*Monday,  
23rd Feb.*

*Continued*

After luncheon we again took the mule team and drove to the dam. The level in the lake was full, and a good stream of water was flowing over the concrete wall, which is 720 feet in length and 115 feet high, built in the shape of an arch or bow, each side keyed into solid rock, and the bottom of the dam is, on account of its height, of very considerable thickness. The base of the dam is over 1,200 feet above sea level, the elevation of the spillway being 1,325 feet. This dam floods the Lages river into a lake  $21\frac{1}{2}$  miles in length with varying widths, anywhere from half a mile, there being a number of bays and inlets which considerably increase this width. The total area of the lake is estimated at approximately eight square miles.

After inspecting the dam we got into the Company's electric launch and spent an hour and a half sailing about on the lake and inspecting a number of the channels, the shore of the lake running up with a steep elevation, and heavily wooded with tropical growth in most parts, being most picturesque.

Although the Company has had no trouble with shortage of water, steps are being taken to provide further reservoirs to feed this lake to secure an ample supply should it be decided to increase the capacity of the power plant.

We then returned to the top of the incline railway; were again let down at a very steep elevation to the power house; took the electric railway at 4.30 p.m., making the connection at Belem, where we again took our special train, arriving at Rio at 7.30. As the station was nearly half an hour's drive from the hotel, after getting washed up, dressed and having dinner, this fairly well completed a very busy day.

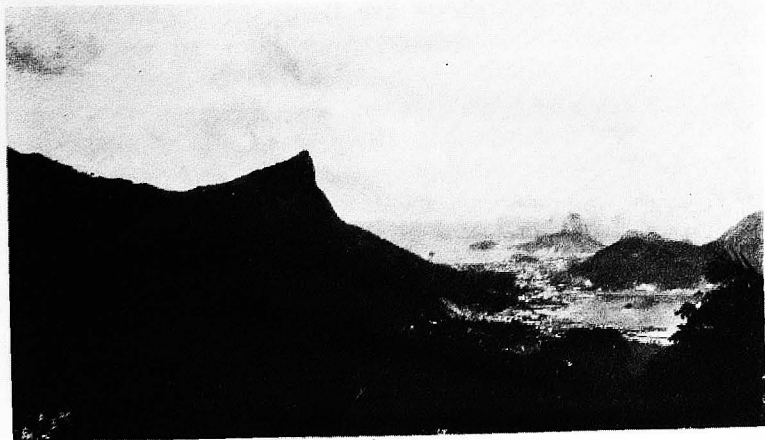
The power from Lages supplies the current for the electric tramways system, electric lighting and

Monday,  
23rd Feb.  
*Continued*

telephone in the city of Rio. The Brazil Traction Company, I understand, owns a contract or franchise which has still some 85 years to run, and is undoubtedly a most valuable one, as the city is progressing and increasing in population. The handicap under which the company operates at present is the "exchange," Brazilian currency, in common with many other countries, being depreciated in the money markets of the world, and instead of five cent fare on the tramways, the fare to-day is only equivalent to little more than one cent gold. Sir Alexander MacKenzie was hopeful of getting some relief, and unquestionably, if the exchange improves, or if the Government is willing to give the company some consideration on account of these special conditions, the value of the franchise and the net earnings from this company should improve steadily.

Tuesday,  
24th Feb.

This was a civic holiday on account of the carnival and very few shops were open for business, the banks and other public buildings being closed. The Bank party went to the city principally to look over the situation regarding buildings, as although the



VUE OF RIO FROM CORCOVADO

present accommodation of the Royal Bank in Rio compares favourably with that of others, the business is growing, and the General Manager is always on the look-out with a view to securing more commodious accommodation and convenient premises to be used when needed in the future.

*Tuesday,*  
*24th Feb.*  
*Continued*

After lunch, Sir Herbert Holt, Mr. Duggan, Mr. Brown and Mr. Rae took a motor drive to Tijuca and reported a most successful afternoon, with scenery superior to anything they had seen up to this time, as, in addition to some fine forest and mountain scenery, there were very extensive views of the sea, the road running along the seacoast, while gradually rising to a higher elevation. I went with Mr. Pineo and Mr. and Mrs. Bill, of Hartford, for a drive in the city to see something more of the carnival, this being the real day specially devoted to it. This is a season of license and everything within reason is permitted.

Apparently Brazilians are very fond of noise, which was one of the features, and with the aid of horns and cut-outs from the automobiles, they are enabled to thoroughly enjoy themselves. The Avenida was filled with autos with many merry people masquerading in fancy dresses, some of which were very handsome, evidently created with a good deal of care and taste. They were of all colours and made a very brilliant scene.

The tunnel already referred to between our hotel and the city was a favourite place for the autos to let out all the noise they could from the exhaust as well as from the horns, the construction of the tunnel making more or less of an echo, so that between the tram cars, autos, and other noises they managed to make a regular pandemonium at this point. In fact, even in front of our hotel we thought at first that there had been some accident and that the ambulances or some other public vehicles were occupying the road, but we soon realized that the

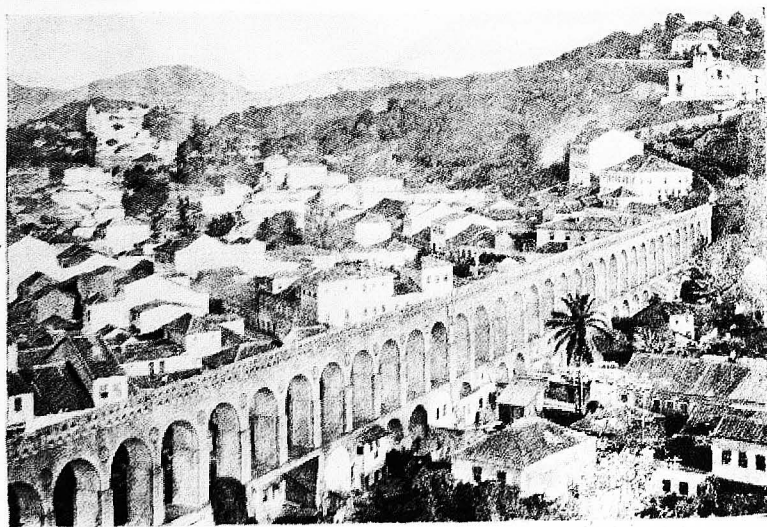
Tuesday,  
24th Feb.

*Continued*

making of noise was simply one of the characteristics of the people in this country, who thoroughly enjoy it at this special season.

In the evening Mr. Neill, Mr. McWilliams, Mr. Dymont and I went with Mr. Lowrey, local manager of the Bank, to see the carnival procession. The Avenida was crowded with motor cars, the people all happy and having a good time. The allegorical floats were larger and finer than anything any of us had ever seen; some of them must have been 50 or 60 feet long with elaborate designs decorated with flowers and electric lights, and many mechanical devices. Others represented huge buds of roses or lilies which opened and shut as they moved along, while inside the flower were young girls with not much more covering than the conventional cupid. The whole effect was inspiring.

After seeing the parade we went to the Phoenix Theatre, where we had a box. The masqueraders were dancing and again there was a display of many



OLD AQUEDUCT, RIO DE JANEIRO,  
UPON WHICH THE TRAMWAYS NOW RUN



fancy and startling costumes. Refreshments were served. The dancing was principally the Fox Trot and the Tango, and as the music and the floor were both good, the dancers evidently enjoyed themselves.

*Tuesday,  
24th Feb.  
Continued*

We were told that the carnival this year was not quite as good as usual, as the authorities had forbidden the wearing of masks on the street on account of the recent revolution, while the police and military were very much in evidence driving up and down the Avenida in motors, containing 10 or 15 policemen or soldiers, and there were also a number of mounted policemen on the street. The authorities, apparently, were nervous, as any renewal of the revolution would most likely take place on an occasion of this character, and they did not propose to take any chances. However, we did not hear or see any evidences of revolution in Rio, the centre of the revolution, such as it was, having been in the Province of Sao Paulo.

There had been nothing planned, so we had a quiet day, some indulging in bridge, most of the party enjoying a morning and evening dip in the sea. Others took a trip into the city and did some shopping, but the day was not devoted to any special entertainment.

*Wednesday  
25th Feb.*

At the suggestion of the Bank, Mr. Renaud Lagé had invited our party to visit his ship-building plant, and we left the hotel about 10.30 a.m. for this purpose. Mr. Lagé's plant, a property which has been in the family for four generations, is located on an island in the harbour. Arriving at the dock on the city side, we found an elaborately equipped tug waiting for us, with the sporting name of "Tid-bits." While waiting for another craft to clear the way to give our tug an opportunity to come alongside the dock, we noticed a lady, carrying with her several packages, embark in a motor-boat which went

*Thursday,  
26th Feb.*

*Thursday, 26th Feb.* off at a tremendous speed. We afterwards learned, although we did not know at the time, that this was Madame Lagé, who was our hostess at lunch time. The trip across to the island is about three miles.

*Continued*

On arrival we were received by Mr. Lagé, who took the party over his extensive works. There are several machine shops and factories, and all necessary details for making repairs and refitting ocean vessels. This firm has not yet built any ships, as their plant is kept fully occupied with repair work, contracts for which include that with the Brazilian Government, for the navy and other boats, as there is no Government shipyard yet in Rio. There is an extensive dry-dock connected with these works, the special feature being that it is hewn out of solid rock. In the original formation a good sized hill faced the deep waters of the ocean, and the dock was hewn out of the side of this hill, and being of solid granite makes a very substantial and satisfactory structure. The stone taken from this excavation was used in the construction of the machine shop, stores, and other buildings connected with the plant, which are, consequently, very substantial.



THE BEACH AT COPACABANA

Sir Herbert Holt and Mr. Duggan, who took a special interest in the inspection of these works, assured us that the machinery and various tools which constituted the equipment were up to date and capable of doing any work that might be brought to a shop of this character.

*Thursday,  
26th Feb.  
Continued*

After inspecting the works, store-house and docks, we drove in motors up quite a steep incline to the top of a hill overlooking the works where Mr. Lagé's residence is located, and were received by Madame Lagé. The house is situated on this elevation, which gives an extended view of the harbour and environment of Rio. We had the customary liquid entertainment on arrival, and then lunch, which was very well cooked and served, as Mr. Lagé is evidently a connoisseur, and provided a good selection of old and well-known wines. We found that Madame Lagé was well acquainted with Lady Davis and had, at one time, visited Montreal, which established quite a friendly spirit.

We left the island about 4 p.m., getting back to our hotel about 6, and spent the evening, after dinner, playing bridge; some of the party trying their luck at the Casino, but, I understand, with no great success. The gambling rooms are very handsome, being in a suite of three, and taken collectively, are larger than any of the rooms at Monte Carlo. Roulette, Chemin de fer, Baccarat and various card games go on every night.

These gambling places, which are general in all the hotels—as well as State lotteries—are licensed by the State, which collects a certain percentage on the operations. In this way the Government is in receipt of a considerable revenue, which is applied to the support of the poor of the district in which it is collected; and, as a consequence, it was almost unknown to see beggars on the streets of any city on the East coast of South America; but we remarked a different condition prevailed in the countries on the West coast.

Friday,  
27th Feb.

Accompanied by Mr. Pineo, I was entertained at luncheon at the Jockey Club by Mr. Chateaubriand, Editor of O Journal, who had a number of guests to meet me, including Sir John Tilley, British Ambassador; Estacio Coimbra, Vice-President of Brazil; Senator Antonio Azevedo, President of the Senate, Brazil; Ambassador Cruchaga of Chile; Messrs. Raul Dunlop, Wileman De Plinius, Alfredo Pujol, E. Keener, Azevedo Amaral Saboyn de Medeiros, Cruz Santos. Mr. Chateaubriand certainly held out the hand of fellowship to me as a visiting press-man, and the luncheon, as well as the distinguished guests invited to meet me, were all that could possibly be desired. It developed during the lunch, that, although not many Brazilians speak English fluently, they all speak good French, and one can get along fairly well in this country if he is familiar with this tongue. The Jockey Club is a large and well-furnished building, the main dining-room, where we



POWER HOUSE AT LAGES



took lunch, being on the top storey of the building and arranged to include an extensive balcony, overlooking the Avenida Rio Branco. This admits of the use of this balcony as a dining-room in the evening, when there is no hot sun. *Friday,*  
*27th Feb.*  
*Continued*

Returned to the hotel after lunch, and had the usual surf bathing and other quiet entertainment.

Sir Herbert and most of the party started at 9.30 for Tijuca, to inspect the machinery and equipment of a manufacturing plant, in which they were interested, and Mr. Dymont and I followed in another car. The drive was a most interesting one, but when we arrived at Tijuca we found that the rest of the party had been there but had gone on some miles farther to inspect another plant belonging to the same firm. Our primitive knowledge of the language did not permit us to get proper directions, so we decided to return to Rio by another road, which we did, and found the drive both through the town of Tijuca and the road returning to the city most interesting. *Saturday,*  
*28th Feb.*

The road we took in the morning was very picturesque, running through tropical forests part of the way, or alongside the sea at a fairly high elevation, and all along there were great numbers of flowering trees and shrubs. The town itself has many good residences, and is at an elevation of 3,000 feet above Rio, so that there is a considerable climb on the road going, and a corresponding drop from the hills in returning to Rio. When we got back to Rio we visited the Zoo, but did not find it up to much, nor up to the standard of many of the public gardens we had seen.

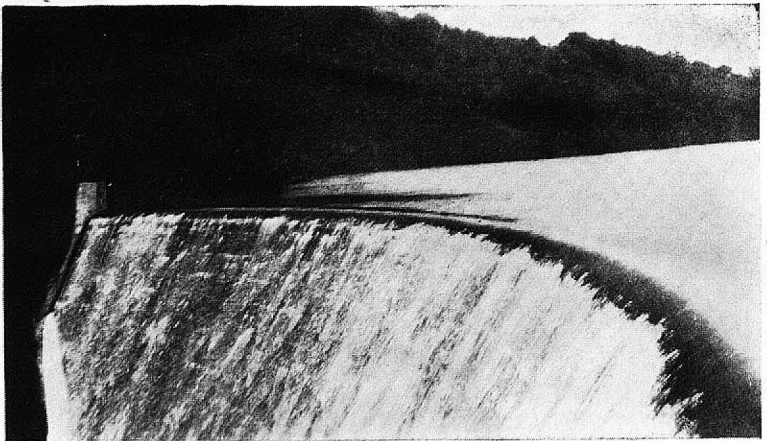
In the evening we had been invited to Mr. Lagé's for dinner, but after our party started from our hotel a heavy squall of rain came on and we were pretty wet before reaching the dock. Mr. Brown suggested that he and I return to the hotel rather than spend the evening in wet clothes, as there was also some

*Saturday,*  
*28th Feb.*  
*Continued*

doubt whether Mr. Renaud Lagé would expect us owing to the rain, the tug not having at that time arrived at the dock. We acted on Mr. Brown's suggestion, returned to the hotel, and joined Sir Herbert and Mr. Duggan. Those waiting got the tug shortly after we left them, and reported a very entertaining evening with an excellent dinner. One of the special dishes was a large and luscious turkey. We were informed that it is the custom in this country, where they cook all kinds of fowl as soon as killed, to treat the birds for 24 hours to a good spree immediately before killing, the effect of which is that after they have been well filled with wine all their muscles become lax, which makes them very tender. If any special flavour is desired, this can be regulated by the character of wine given them. Mr. Lagé told his guests that this particular turkey had been treated in this way, his special jag being induced by champagne.

*Sunday,*  
*1st Mar.*

As we were preparing to leave to-morrow, a quiet day was spent and most of the time devoted to supervising the packing.



THE DAM AT LAGES

Left Rio at 9 a.m. for Sao Paulo, a distance of *Monday.*  
 490 kilometres, or about 300 miles. Through the *2nd Mar.*  
 courtesy of the General Manager of the Central de  
 Brazil, we had a special train of four cars—a baggage,  
 dining, chair and observation car, and were made  
 very comfortable.

In addition to Sir Herbert's party, Mr. and Mrs.  
 Richards, of Boston, and Mr. Marquis were invited  
 by Sir Herbert to join us. The weather was very  
 warm, and while the country over which we travelled  
 was interesting, it made a very long day, even under  
 the most favourable circumstances. The country  
 presented a variety of conditions, with fields of  
 sugar-cane, maize, coffee and many tropical palms  
 and flowering trees. One of the features new  
 to us, although quite common in this country, was  
 the number of ant hills seen on many of the fields.  
 These hills are built of clay, which through the  
 action of the rain and sun becomes very hard,  
 almost like stone or well-made brick, and are from  
 12" to 24" in diameter at the base, rising in a concave  
 shape anywhere from 12" to 30" in height. As the  
 animals pasturing on these fields were quiet, the  
 ants, apparently, are harmless. We understood that  
 in certain sections the ants are more or less of a pest  
 in Brazil, and the house-wife has difficulty in  
 keeping her house and groceries free from them. In  
 some parts it is unsafe to leave food or sweets of  
 any kind exposed, as the ants seem to come from all  
 quarters, and very soon make themselves most  
 objectionable and destroy whatever provisions may  
 be within their reach. Whether the hotels were  
 especially favoured, we were unable to say, but from  
 our experience in Brazil, during our short visit, we  
 did not notice nor were we in any way inconvenienced  
 by this reported pest.

Lunch and dinner were served on the train,  
 and other refreshments, if required, during the  
 day, so when we reached Sao Paulo at 8.30 we did

*Monday,*      not feel any the worse for the journey. On arrival,  
*2nd Mar.*      we drove to the Hotel Esplanada, a new hotel,  
*Continued*      modern and up to date, situated alongside the  
                  Municipal Opera House. Accommodation had been  
                  secured for us, although we were informed it was  
                  difficult to obtain, as the hotel has more business  
                  than it has accommodation for. Our rooms were  
                  facing on the plaza in front of the Opera House, but  
                  as there is apparently a taxi motor stand on this  
                  square, we found the location not as desirable as it  
                  might have been. In Sao Paulo we found the native  
                  characteristic for noise even worse than it was at Rio;  
                  and late at night and early in the morning the motor-



TOP OF DAM AT LAGES



men appeared to be testing their motors, opening the cutouts, blowing horns and making a tremendous noise. There did not appear to be any local objection to this, as the native Brazilian apparently approves, or is quite used to it. *Monday, 2nd Mar. Continued*

Sao Paulo is one of the most progressive and rapidly growing cities that we visited in our entire tour of South America. They now claim a population of between 850,000 and 900,000, with an increase in the last two years at the rate of nearly 150,000 each year. There is no question that Sao Paulo has experienced a boom in the last few years. There was evidence of this in the number of new residences and factory buildings we saw, and the developments of suburbs by Land Companies, which appear to have been very active in this city. The site of the city is at an elevation of 3,000 feet above the sea, which makes the climate more temperate and the air more bracing than that of the cities located on the coast. Many of the streets have been recently enlarged and improved, while a park system has been partly completed and is being extended around what used to be, a few years ago, a low and undesirable and possible fever district.

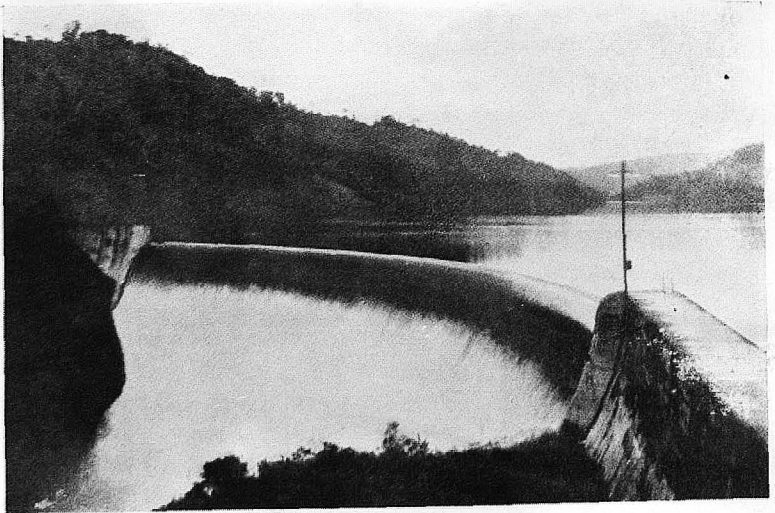
The city stands on a series of hills and seems well suited for excellent drainage. The present water supply is not as good as they wish for, but we were told that a loan is now being negotiated, the proceeds of which will be used to improve the water system, and that the ambition of the citizens is to make it equal, if not superior, to that of any other city in Brazil.

We took a walk about the business section of the city, and visited the Bank, also inspected a number of other bank buildings, the Directors having in mind a possible change of location. There are several bank buildings in Sao Paulo, the largest being the Bank of London & South America, *Tuesday, 3rd Mar.*

Tuesday,  
3rd Mar.  
*Continued*

but German, Italian, Belgian, Portuguese and U.S. City Bank as well as local banks are represented, and apparently give this city ample banking facilities. While there are a number of banks all keen for business, the competition is not as unfriendly as between banks in North America. A good rate of interest is paid on loans and substantial securities generally offered by the borrowers. The methods of doing business, however, are quite different from those we are accustomed to in Canada, and while quite as satisfactory to the banker, the mode of address and conducting negotiations expected by customers in South America are such that if the banker assumed the same attitude as is usual in Canada, little or no business would be done.

After lunch we had a motor drive about the city, through the Avenida Paulista, a fashionable drive-way flanked on both sides with handsome and extensive residences. We also visited the Garden City and other new developments, and were much impressed with the character of the architecture and the good



THE DAM AT LAGES

taste displayed in laying out the gardens and lands surrounding the houses. A land boom has been on for the last few years, but is not very active at present, although prices have been maintained, and we were told that where, five years ago, land had been selling in this district at an equivalent of 10 cents a foot front, it was now selling at \$3.00 a foot, so there was a very fair margin to the holders even at less than the boom price. Several new development schemes in the other suburbs of the city have been undertaken, the principal operators being a British company, and presumably British capital is largely invested in these enterprises. The Municipal Opera House at Sao Paulo is one of the finest in Brazil, but, owing to the season of year, no entertainments were on during our visit.

*Tuesday,  
3rd Mar.  
Continued*

The city has also many parks and monuments to national heroes and public men. The government of the city, so far as public works are concerned, is under the control of the State, which collects land and water taxes. The civic administration is responsible for the police, fire and health departments, collects taxes from automobile and other licenses, and also receives fines for violation of city by-laws.

Between 6 and 7.30 p.m., the extensive bar at our hotel was a popular meeting place, crowded both by men and women, and would remind one of the old Windsor Hotel bar in Montreal in its most prosperous time.

This morning, Mr. Billings, the Chief Engineer of Construction and General Manager of the Brazilian Traction, called for us with a motor about 9 o'clock, and Sir Herbert, Mr. Duggan and I drove with him over a very good road for about 40 miles towards the city of Santos, to what is known as the "Serra" or height of land behind and above the port, nearly 3,000 feet above sea level. From here we had a grand view of the surrounding country, including

*Wednesday  
4th Mar.*

*Wednesday* the city and port of Santos. About the time of  
*4th Mar.* our arrival, at 11 a.m., there was a fog, which comes  
*Continued* pretty regularly about this time on the mountains,  
 but later on it cleared off and gave us an opportunity  
 to form a good appreciation of this part of the coun-  
 try. There is a small waterfall dropping a con-  
 siderable height down the face of the hill near where  
 the road winds into the valley, but no one appears  
 to have taken much notice of this as a power de-  
 velopment until now. In fact, although this develop-  
 ment is under consideration, no plans have yet been  
 given out to the public. Coming up from the flat  
 land surrounding the city of Santos, the road winds  
 on a steep grade to the top of this Serra. The eleva-  
 tion from this ridge back to the city of Sao Paulo,  
 nearly 40 miles, is practically the same, there being  
 less than 100 feet difference. The intervening  
 country is flat with several small streams and rivers,  
 which, however, flow in different directions and do  
 not all discharge over the Serra. The land in this  
 territory is "run out," and does not seem to have  
 been much cultivated for a number of years, not  
 being as fertile as formerly. It was, therefore, not



LAKE AT LAGES



a very serious proposition for the Power Company to acquire by purchase a large tract of this flat territory. It is proposed to build a dam on the face of the Serra, flooding this land and making a large lake or reservoir, with the power house at the foot of the hill below the Serra, giving a drop of over 2,400 feet, which will develop, with comparatively little water, a very extensive power. It is expected when the dam is built, that a lake, about 20 miles long and possibly a mile or more in width, on the land now owned by the company, will be created by the streams and rainfall, which will give a good supply of water for power development. If this scheme is carried out it will be one of the greatest of its character that has yet been attempted. The Company expects to make a primary development of about 100,000 h.p., which later on will be considerably increased as demand arises.

*Wednesday*

*4th Mar.*

*Continued*

The Company has, at present, in addition to this proposed development at the Serra, two or three large plants located on the Tieté river near the village of Parnahyba, about 20 miles below the city of Sao Paulo, while a dam has also been constructed across the Guarapiranga river, creating a large lake 34 square kilometres in size, both these powers being already in use and furnishing the power for the tramway, lighting and telephone system in Sao Paulo.

At the time of our visit, and the first time in the history of the company, owing to the continued and exceptional drought, there was a shortage of water, and some of the larger users of power had their supply cut down in order to maintain the service, but this, we were advised, was an exceptional condition, and not likely to occur again.

The view from the Serra, looking towards Santos, is most attractive, as there is a tract of some 7 or 10 miles of very fertile low-lying land, interspersed with canals, between the hills and the sea. This territory produces bananas and other tropical fruits

*Wednesday* in large quantities, as well as vegetables, which not  
*4th Mar.* only supply the city of Santos, but furnish a considerable surplus for export.  
*Continued*

We returned to Sao Paulo for luncheon, and in the afternoon were all busy with different sight-seeing excursions. Mr. Duggan and I took a walk about the residential part of the town, dining with the rest of our party at the Hotel Esplanada at 8 p.m.

*Thursday,* By the courtesy of the railway managers, Sir  
*5th Mar.* Herbert was given a special train to Campanis, where we had been invited to inspect the coffee hacienda or plantation of Mr. Machado, a friend of the Royal Bank officials.

Campanis is situated about 40 miles north-east of Sao Paulo, and we passed through a very fertile and entertaining country, the first part of the journey being made on the Sao Paulo Railway with a steam locomotive, the latter few miles being on the Paulista Railway by electric locomotive. The former railway was built and is now owned by British capital, being a Brazilian enterprise, and is gradually being electrified over its entire system. The hacienda which Mr.



LAKE AT LAGES

Machado took us to is situated close to the town of Thursday. Campanis, and has been the property of his wife's 5th Mar. family for over 150 years. Although not the Continued harvest season for coffee, we were much interested in seeing the plantation, which has some 750,000 trees. This is not considered a large plantation, as there are some in Brazil with two or three million trees, which cover thousands of acres of land. The soil is a deep red clay loam and very rich. The coffee trees are comparatively small, but require a good deal of cultivation as the ground about them has to be kept free from weeds and other grasses which grow prolifically in this rich soil, and it is not so easy now to obtain labour since the slave labour has become a thing of the past.

Coffee is the principal and most important export of Brazil, which claims to control the world's market for this commodity. We estimated, from figures of shipments of previous years, that the annual export of coffee from Brazil would be valued at something like \$360,000,000, and as the price of coffee at present is very high, conditions naturally in the coffee district are considered quite satisfactory.

It is estimated that in the state of Sao Paulo there are over 800,000,000 coffee trees and the production of coffee runs from eight to ten million sacks annually. These figures represent the production from one state only, although many other parts of Brazil are equally fertile and could probably more than double this production. The state of Sao Paulo, however, is to-day the greatest producer, furnishing about 60% of the total crop of coffee. The Government has introduced a system of protecting the coffee grower by fixing a price at which if the open market should fall to, or go below, the Government is prepared to buy the coffee, and large store-houses have been erected for the purpose of storing these purchases, when necessary.

Thursday,

5th Mar.

*Continued*

Like all other commodities of this character, the range in price is considerable. When the price goes up the Government disposes of the surplus stock, and in this way the coffee grower is assured by the Government of a minimum price, or may take the chance of securing a higher price when the market is favourable.

The policy of the Government is to encourage and maintain the production of coffee in Brazil, and the theory is that this can be accomplished by the guarantee to the planter of a minimum price which will yield a fair profit. Since the abolition of slave labour, coffee planters have had trouble not only in obtaining labour, but in obtaining it at a price that will make the growing and cultivation of coffee profitable. The Government also supports markets by limiting the daily entries to Santos from the interior.

After looking over the plantation, we were taken to the house, which was very interesting, with old and handsome furniture, and gave a very good idea



TRAMWAYS CENTRAL STATION AT RIO



of the character of houses of this class in Brazil. *Thursday,*  
 Off the dining-room is a large kitchen, which con- *5th Mar.*  
 tains not only a laundry, but an old-fashioned bread *Continued*  
 oven, open fire-place, and, in fact, all the necessary  
 equipment for the work of the house. At the back  
 of the house is a large garden with a great variety  
 of fruit and other trees, and another where vegetables  
 of all kinds are grown. Alongside and near the house  
 are the old slave quarters, where the slaves belonging  
 to the establishment were housed. Slavery was  
 not abolished in Brazil until 1884, so that many of  
 the buildings are still in very creditable repair.  
 The coffee mill is surrounded by a number of open  
 concrete floors where the coffee beans are dried  
 before being shelled and cleaned in the mill.

We noticed that one shoot read "Mocha" and  
 were told that this only designated the quality,  
 although we had always thought the Mocha coffee  
 had something to do with Arabia or some Eastern  
 country.

We drove back to the hotel in Campanis for  
 lunch, and had a very good one with characteristic  
 Brazilian dishes. The landlord was anxious that  
 we should sample a number of different native wines  
 for which, in his opinion, Brazil is justly famous.  
 He claimed these wines to be equal to those produced  
 in any other country in the world.

We were satisfied to take his word about most  
 of them, as although the wines were, no doubt, very  
 good, the time of day was not convenient for us  
 to sample all of them.

After lunch we visited the Campania Industria  
 Seda Nacional (National Industrial Silk Company).  
 This enterprise is a comparatively new one, and has  
 been encouraged by the State Government of Sao  
 Paulo. The purpose is to cultivate the silk-worm  
 and to produce silk in Brazil, as it is considered the  
 climate and general environment of this district  
 are favourable to this industry. What assistance

*Thursday,* the Government has given towards the primary  
*5th Mar.* establishment, in the erection of buildings, etc.,  
*Continued* we did not hear, but the Government has offices  
 in the building, with inspectors who, apparently,  
 devote themselves to the supervision of the industry,  
 particularly that part of it which relates to the pro-  
 pagation of healthy silk-worms, and the prevention  
 of disease among them. The establishment consists  
 of several buildings, all of a very high type of con-  
 struction, of reinforced concrete, with tile floors,  
 with the appearance of being first-class in every  
 respect. The original silk-worms have been im-  
 ported from China, Italy, Japan and other countries  
 which are now producers of silk, and the Government  
 is encouraging the enterprise by undertaking the  
 scientific research work—that is, all the cocoons as  
 well as the eggs are examined so that no disease  
 may be introduced by the worms imported from these  
 foreign countries. So far, we understand, the enter-  
 prise has been most successful, and they have had  
 very little trouble. We were first shown the cocoons,  
 which are laid out in large trays and are about the



AVENIDA BEIRA-MAR

size of a small pigeon's egg, of different shades of yellow colour, according to the countries from which they come. There appeared to be a large stock of these, and the production process was explained to us.

*Thursday,  
5th Mar.  
Continued*

The eggs are carefully selected and then go through the process of hatching, by which the worm is produced. At first, a small and insignificant article, the worm is fed on mulberry leaves, and with growth his appetite increases until he is fully developed and ready to spin the cocoon. At this stage his location on the branch is so adjusted that he will not interfere with other workers, as it is essential that the cocoons do not become interwoven but each must be separate and complete in itself. When the spinning is completed, which takes about three days, the silk-worm has two destinies to contemplate. He may be allowed to emerge from the cocoon in the moth stage, when his purpose in life is the propagation of the species, or his cocoon may be devoted exclusively to the production of silk, in which case he becomes the original bobbin from which the thread is wound. Each cocoon contains from 800 to 1,200 yards of very fine thread.

When allowed to develop naturally, the worm becomes a moth, and is able, by moistening the silk threads, to force an opening through them, from which the head emerges, after which the cocoon is burst and the perfect moth appears.

The beautiful butterfly appearance of these moths was most striking. Although perfectly formed with a pair of wings, he does not appear to use them for flying, and is transferred to a large flat tray, presided over by a young girl operative, who acts as a fairy godmother, preventing fights or misunderstandings by introducing and mating eligible couples. The female moth is then placed in a small paper envelope or bag, where, in due course, she lays her eggs, and having completed her destiny, withers up and dies.

Thursday,

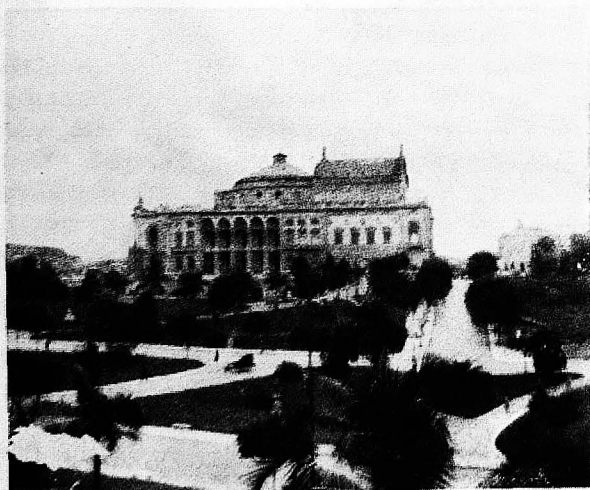
5th Mar.

*Continued*

The eggs are then subjected to a thorough microscopic examination, and afterwards put on trays, into cold storage at a temperature of  $34^{\circ}$ , where they can be kept and "are hatched out by artificial heat at the period when the mulberry leaves are ready for the feeding of the larvae."

The industry is of importance to the farmers who cultivate the mulberry trees and to whom the larvae are sent when sufficiently developed to be placed on the trees. These farmers also harvest the cocoons, some samples of which we saw hanging on the branches of a tree, in some cases as many as two or three dozen on a single branch. This work involves care rather than labour, and is, we understood, fairly profitable to the farmers.

The establishment was very up-to-date and run by electric power. In the factory proper the unbroken cocoons are treated in water at a temperature of  $140^{\circ}$  to  $150^{\circ}$ , and put in groups of six or eight under a revolving circular brush, which has the effect of cleaning and softening the outside as well as picking



MUNICIPAL THEATRE, SAO PAULO

up the end of the silk thread of which the cocoon is made. This also sorts the good cocoons from the poor ones. After the brush has picked up the threads from a group of cocoons, the threads are passed over to another operator, who sorts them out, still keeping the cocoons floating in the hot water, weaving or combing six or seven of the original threads which were so fine as to be almost invisible, into one heavier but still very fine thread, onto a spool or spindle. This operator keeps several spindles running, and the water tank is filled with several groups of six or eight of these little cocoons bobbing up and down, but from which is being always pulled the original silk threads. These first spindles when full are in turn passed on to other operators, who weave a heavier thread by combining several of the original threads into one—the operation being very similar to that of a cotton mill—until the silk is finally woven into a heavy thread, which, in turn, is made into a hank of silk, the natural colour being a deep yellow. The broken cocoons are treated by a different process and produce web silk as distinguished from spun silk.

*Thursday,  
5th Mar.  
Continued*

The production of this factory has been 3,000 kilos, or 6,600 lbs. of silk yarn monthly, but with the new machinery we saw in process of installation, it was expected the product would be doubled and that the annual production of manufactured silk yarn would be 72,000 kilos. This estimated production is based on the increase that has been registered with the cocoons now produced in Brazil from the original imported stock. It is expected that, barring disease or accident, there will be no necessity for making further importations of silk worms, as the natural production in Brazil is sufficient to supply the requirement of the factory. Naturally, the success of this establishment at Campanis will encourage similar industries, and it is expected before many years Brazil will become one of the large silk-producing countries of the world.



Thursday,  
5th Mar.  
*Continued*

It is claimed that with the system of cold storage of the eggs, and the favourable climatic conditions for the production of the mulberry leaves, they can obtain three or four crops of the silk-worm annually, whereas in Italy and China, where the conditions are not so favourable, only one crop a year is obtainable. The machinery used in the process of collecting the silk web from the cocoon is said to be comparatively new and not yet applied extensively either in China, Japan, India, Italy, or other silk-producing countries.

We left Campanis by special train, getting back to Sao Paulo about 6 p.m., having had a most instructive and enjoyable day.

Friday,  
6th Mar.

We made a fairly early start to visit the cotton mill of Mr. Scarpa, the title of the establishment being the Sociedade Anonyma Scarpa. The factory is on the outskirts of Sao Paulo, occupying about 23,000 square metres. The whole of this vast lot is covered by factory buildings of a modern and up-to-date reinforced concrete construction; the walls of some of the buildings are of pressed brick, and all the roofs of tile; the entire construction of steel with concrete foundations and concrete floors. None of these buildings is more than three stories in height, most of them are only one, but with a good height of ceiling, probably from 25 to 30 feet. The machinery equipment is of British manufacture and is the last word in cotton mill machinery. All the looms and other machines have individual electric motor drives; several hundred motors are employed in this way and 2,000 H.P. is required to operate them. There are 2,000 employees, and as the installation of this plant is only half completed—the erection of additional machinery being in process during our visit—it is expected when finished, probably within another twelve months, to have a capacity of from thirty to fifty million yards of

finished goods per annum, figuring on an eight-hour day. The average wage of employees is about 70 cents per day; from 65% to 70% of the total number being women and girls. The wages are based on the experience and ability of the operator to produce the work, and the factory being comparatively new, it is expected that the wages will be increased as the skill of the operators enables them to make a larger production. At present one operator attends to two units, but the management expects that before long, with greater experience, most of the operators will be able to handle at least three.

*Friday,  
6th Mar.  
Continued*

Brazil has a territory as large as the United States, and is wholly situated in the tropics, so that cotton can be grown in any section of this vast country. Naturally, different districts produce different qualities, the soil, rainfall and temperature, as regulated by the altitude, giving a range from the long fine fibre to the shorter and coarser. As a result the cotton manufacturer here is able to produce the various grades or quality of cotton goods from the native product, while mills in other lands obtain this result by mixing the product of two or more different countries.

In this plant all operations connected with the manufacture of cotton goods are completed; that is, from the unbaling, dusting and cleaning of the raw cotton to the printing and finishing of coloured as well as fine white goods. The cotton, after being cleaned, is carded and made into yarn, bleached, dyed and printed all under the one roof, these operations not being distributed among many mills as they are in Canada. In connection with the mill and on their property is a crèche for the babies and very young children of the women employees. In the case of young babies, mothers get periodical leave during working hours to nourish them. The equipment of the crèche is up-to-date, each child having a neat iron cot, painted white, with a box

*Friday,*  
*6th Mar.*  
*Continued*

at the foot of the bed containing its clothes and other comforts. It is under the direction and management of the Sisters of Mercy, who are engaged and paid by the management of the mill. The older children, up to six or eight years of age, are taken care of and taught in the kindergarten or other school of instruction, and are furnished with meals during the day. A good deal of the instruction, of course, is on the lines of various branches of cotton and its manufacture, which industry, it is hoped, the children will follow when old enough to work.

Although Brazil has a Child Labour Act, making 14 the minimum age, this Act is not too strictly enforced if the child is physically strong and the character of labour suitable, but in all cases the parents' consent must be obtained before any child is allowed to work under the legal age. In addition to the kitchen furnishing meals to the children of the school, there is a dormitory where they are put to rest during the hot hours of the day. The place is kept immaculately clean, and from the appearance of the children who were paraded for our inspection, they are all healthy and happy, and in honour of our visit some of the older ones favoured us with a few songs and other entertainments, which they appeared to enjoy quite as much as we did.

Our observation was that the type of employees in Brazilian factories, both physically and in their general appearance—the climate being considered—will compare favourably with those employed in similar industries in any part of the world.

This company owns about 200 workmen's houses which are rented to the employees at very moderate rates. The demand, however, for them is greater than the company can supply. There is also a small church, a company's store and cinema theatre in connection with this settlement. The site of the property is on the Rio Tieté, from which their water supply is obtained, and in connection with this a

very elaborate pumping and filtration system is operated. Sir Herbert assured us that it was as up-to-date and modern in every way as anything he had yet seen. The factory plant is sprinkled throughout, and has a large steel storage tank in connection with this system, with a capacity of over 600,000 litres. Two shifts are employed in some departments, but all operations in the works are carried on between 7 a.m. and 9 p.m.; the legal day, which I understand is compulsory in Brazil, being eight hours, so that the purpose of having these shifts is to prepare the work for the rest of the factory in certain departments where the hours are necessarily longer. The entire product of this mill is marketed in Brazil, and in addition to the factory we inspected, there are also in Sao Paulo several other large cotton factories; but in spite of this apparently large production, Brazil is still a large importer of cotton goods, so that there would seem to be good prospects for the future of this industry.

*Friday,*  
*6th Mar.*  
*Continued*

After completing our inspection of the factory about 12.30, we drove to a Brazilian tea garden at the other end of the city, having been invited by Mr. Lee, formerly the American Consul at this city, to take lunch with him. The garden was in many ways primitive, but characteristic, we were told. Similar outdoor restaurants are found in most cities throughout Brazil. We saw here some Italians playing a game of bowls, the general idea being similar to our lawn bowling but with considerable variation in the rules, one of the principal changes being that when the player plays his bowl at "shot" his opponent continues to play until he has exhausted his bowls, unless he makes a better "shot" than his opponent; this gives his opponent the opportunity of playing his additional bowls after him and in rotation.

Mr. Lee's luncheon was typically Brazilian, and some novel national dishes were presented



Friday,  
6th Mar.  
*Continued*

to us. The real national dish appeared to be a combination stew of chicken, beef, rice, onions and garlic, and was quite acceptable in small portions to most of the company, but, the weather being very hot, it did not appeal as much as it might have done on a cooler day. Some Brazilian wines were served, but mostly Italian and other imported wines.

After luncheon we returned to the hotel, and as some of the party had made other engagements, I accepted an invitation from Mr. and Mrs. Richards to visit the snake farm at Butantan. This farm is located about ten miles from Sao Paulo, and there is a good automobile road to it. At the farm, which is really a scientific experimental station, snakes are bred and serums are made which furnish revenue to the institution. The serums are depended upon by the inhabitants of Brazil, and are furnished to all civilized countries to save them from the fatal



AUTOMOBILE CLUB, SAO PAULO



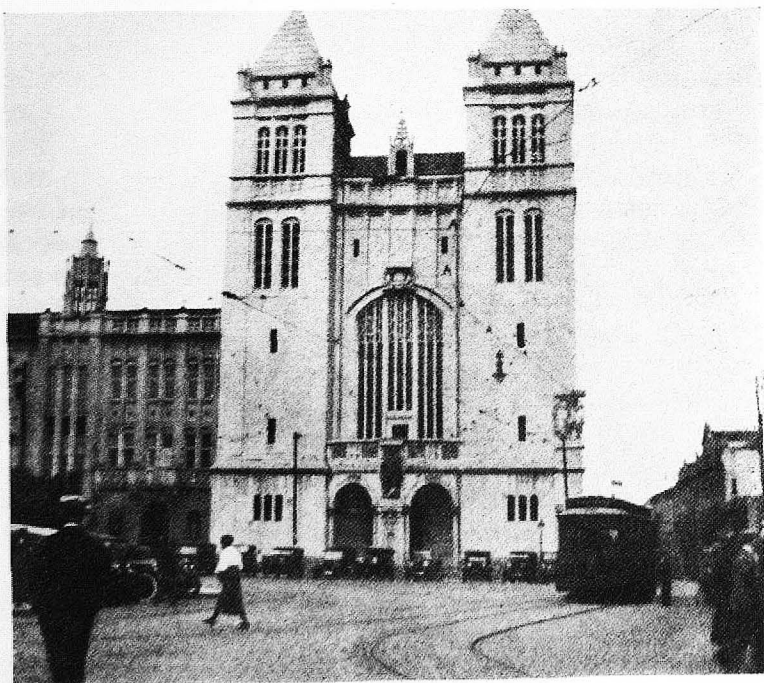
effects of bites from venomous snakes. The institution is commodiously housed in several imposing buildings, and is well manned by scientists who are instructors to a considerable class of students. In fenced-in enclosures there is a great variety of reptiles of all sizes, shapes and dispositions. These enclosures are presided over by attendants who, in addition to their ordinary apparel, wear thick shoes, leather leggings and gauntlets, and use as their batons sticks an inch in diameter and several feet long, with a blunt hook in the end of each. The spectator stands outside of the closely woven wire fence and looks on in perfect safety while the attendant irritates the great reptiles with the hook end of his baton, dragging them out of their beehive-like houses and tantalizing them to show fight. In one enclosure there were large trees on which the attendant would stir up some knob-like mass on a limb above him, hook up a great struggling reptile and skilfully bring him to earth. It is a creepy business, and by the time we left this institution nearly everybody was on the verge of delirium tremens. In the laboratory where the serums are made the work of the institution was demonstrated to us, and we gained a notion of how familiarly the laboratory workers associate with their victims. Nearby was a pharmaceutical laboratory where quinine and other alkaloids and Brazilian drugs are prepared and tested. The museum has a fine collection of native plants framed and mounted, also illustrations in colour showing the effect of various bites from poisonous and non-poisonous snakes, with specimens of rare snakes, lizards and other reptiles in glass jars; all of interest to the naturalist or medical student.

Returning to the hotel about 5.30, I joined the other members of the party and went with them to tea at Mr. Rae's, the local supervisor of the Royal Bank in Brazil. Mr. Rae has a very pleasant house located on the Avenue Paulista, and there were a

*Friday,*  
*6th Mar.*  
*Continued*

Friday,  
6th Mar.  
*Continued*

number of prominent English residents of Sao Paulo to meet us, including Mr. Arthur Abbot, H.B.M. Consul; Mr. F. C. S. Ford, Bank of London & South America; Mr. and Mrs. G. H. Ford of the Sao Paulo Alpargates Co.; Mr. Herbert Boyes; Mr. Alfred Boyes; Mr. and Mrs. H. Dickinson; Mr. and Mrs. N. Scarpa, all interested in the manufacture of cotton; Mr. J. S. Cole, Bank of London and South America; Mr. and Mrs. G. S. Whyte, British Bank of South America; Mr. S. L. Williams, National City Bank of New York; Dr. and Mrs. R. Simonson, President of the Cia. Construction de Santos; Mr. and Mrs. Reid; Mr. A. R. Gordon; Mr. Lacerda; Mr. and Mrs. Ross, all of the Royal Bank of Canada, Sao Paulo; Col. and Mrs. Johnston, Superintendent Sao Paulo Railway Co.; Mr. and



CATHOLIC CATHEDRAL, SAO PAULO

Mrs. D. Mulqueen, Comptroller Brazilian Traction Light & Power Co.; Mr. R. Pease and Mr. M. Smith of the Brazilian Portland Cement Co., and Mrs. Muir, wife of the Managing Director of the Banco Commercial do Estado de Sao Paulo. They all seemed to be very well satisfied with the business and social associates they had, and as some of them had been living at Sao Paulo for 25 or 30 years they said they had no desire to go back to England or elsewhere, as they regarded Sao Paulo as their home, and did not believe they could find more agreeable climate or more acceptable living conditions in any other part of the world. Physically they all confirmed the claim of a healthy climate.

*Friday,*  
*6th Mar.*  
*Continued*

We had to pack our trunks and prepare for leaving early Monday morning, and as the trunks had to go forward early Saturday afternoon, it rather broke up the day, but we were able to do some shopping and put in the time very pleasantly.

*Saturday,*  
*7th Mar.*

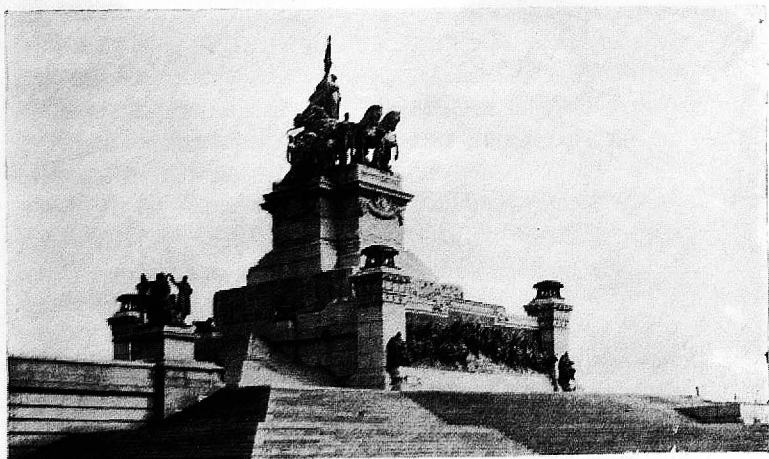
Sir Herbert, Mr. Duggan and I left the hotel about 10 a.m., intending to take a drive and visit the monument Da Independencia. This monument is new, and, in fact, the grounds around it are not yet quite finished. When completed it promises to be one of the finest of its class. It stands in the centre of a slope, at the top of which is the National Museum, a very fine large building. In front of the museum is a broad driveway, below this terraces of flower-gardens, fountains and ponds, similar to those at Versailles but more extensive, with a series of steps down to the monument which constitutes the approach to the National Museum. On the other side of the monument there is a boulevard with double driveway, an avenue of trees and grass with side-walks on both sides. As soon as these trees obtain a little more growth the effect will be very fine. The monument occupies a central position in the general

*Sunday,*  
*8th Mar.*

*Sunday,*  
*8th Mar.*  
*Continued*

plan, which covers more than a mile of civic landscape. The base of the monument is gray granite or marble, and a series of steps leads up to a square base upon which the monument itself is placed. On the sides of this base are bronze reliefs representing various incidents connected with the Independence of Brazil, and several figures in bronze of the national heroes. On the top of the column is an allegorical group in bronze, Victory holding a flag and riding in a two-wheeled car drawn by two horses, while around the car is a group of figures marching with it, representing the several Arts and Sciences. At each corner of the base are large bronze figures of the statesmen who were prominent in founding the Republic, and Generals who were the leaders of the Army at the time of the Revolution. The whole work is of a very high order and equal to anything I have yet seen.

We returned to the hotel for lunch and in the afternoon drove to the Golf Links at Santa Amaro, about ten miles from Sao Paulo. These links were interesting on account of the unusual drought. The



MONUMENT DA INDEPENDENCIA SAO PAULO

grass was pretty well dried up and the "greens" are not as we understand them, but are round in shape, with sand instead of grass, but very smooth and apparently faster and truer than most grass greens. Here, we found Mr. Dymont and Mr. Gordon, the local assistant manager of the Bank, having a game; but from the fact that they occasionally kill poisonous snakes on this course, it did not attract me. There is a very comfortable club-house with lockers and all other accessories, and before leaving, we had tea, Mrs. Ross, the wife of one of the Royal Bank men, joining our party and doing the honours. The club-house is equipped to furnish meals, and in addition to the lockers, shower baths, card-rooms and bar there are a certain number of bed-rooms, so that members, if they wish, can spend week-end at the links.

*Sunday,*  
*8th Mar.*  
*Continued*

We made an early start by train (A. J. Brown, C. E. Neill and W. H. McWilliams going by motor, with part of our hand baggage), leaving Sao Paulo for Santos at 8.15 a.m., the distance being, approximately, 50 miles and the scenery along the road most interesting. Arriving at the "Serras" already referred to, which are about ten miles from Santos, we changed from the regular steam locomotive which brought us to this point, to a specially designed one operated with a clutch, and were let down the grade by a series of three drops, on a wire rope traction, the grade being about 3,000 feet in two miles. The descent is regulated by wire cables and the balance accomplished through an equal number of up-bound cars to those being let down. The cables are controlled by three power stations, each of which operates one-third of the cables, as on account of the length of the cables it was found more convenient to divide them in this way. The scenery and engineering work on this part of the road are very fine; part of the latter included the many

*Monday,*  
*9th Mar.*

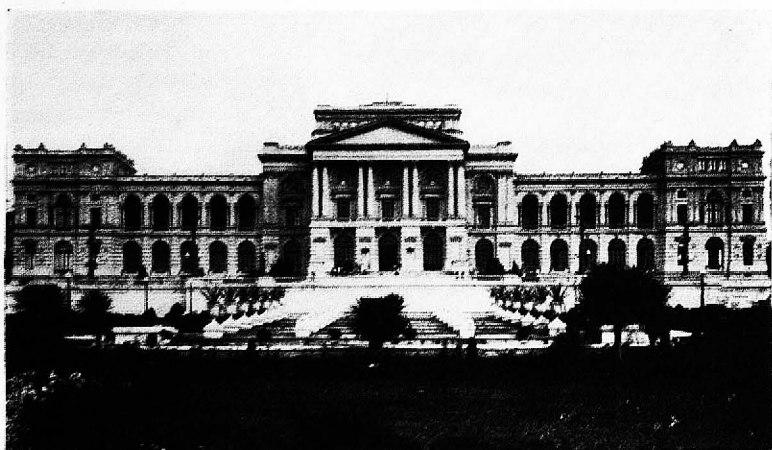


Monday,  
9th Mar.  
*Continued*

aqueducts built in and alongside the right-of-way to take care of the heavy rains which come down on these hills, thus protecting the road against wash-outs. The whole scheme is an ingenious and creditable piece of engineering, as the surmounting of a grade of this size in so short a distance certainly afforded in itself an engineering problem. From the foot of the grade to the city of Santos, about 8 or 10 miles, the country is low and level, covered with gardens producing tropical fruits and vegetables, as already stated.

We reached Santos, a city of about 120,000, about 10.30 a.m., and drove to the S.S. "Andes," at the dock, to get rid of our hand-baggage, make sure of our accommodation, and also check up our trunks, which had preceded us the day before. We then took a walk about the business section of the town, and visited the Royal Bank, which is well located, but not so large or imposing as some of the other bank buildings we had seen in Rio and Sao Paulo.

We visited the Coffee Exchange, located in a very handsome building of its own. The Exchange proper is a large room with a circular enclosure in



NATIONAL MUSEUM, SAO PAULO

the centre, with seats around and a pulpit or desk *Monday,*  
 for the Chairman, the whole built of walnut and *9th Mar.*  
 quite handsome. The seats are enclosed by a fence *Continued*  
 or wall of wood about 4 feet high, and there are  
 probably 60 or 70 seats in all, one for each member  
 of the Board. At the side of each seat is an arm-  
 rest which can be used as a writing table by the  
 members when making their memoranda. The  
 President's seat is in the centre with an equal number  
 of seats on each side. When the Exchange is in  
 operation, sales are put up by the President and  
 the members of the Exchange make their bids,  
 practically constituting an auction. The room is  
 handsomely decorated with mural paintings portray-  
 ing the original foundation of Santos and other  
 national and historical scenes. The Exchange was  
 not in session when we made our visit, as their working  
 hours are from 9.30 to 11 a.m. and from 3.30 to  
 5 p.m. Members transact their business seated, the  
 Chairman offering the goods. When a sale is made  
 it is registered by a clerk, the proceedings being very  
 much the same as on our own Produce or Stock  
 Exchanges.

In most cities of South America we found that  
 business hours were largely conventional, it being  
 the custom to do no business during two hours and a  
 half in the middle of the day, so that Banks, Ex-  
 changes, and many stores were open until 11 or 11.30  
 a.m. and then closed until 1.30 p.m., and between  
 these hours little or no business is done.

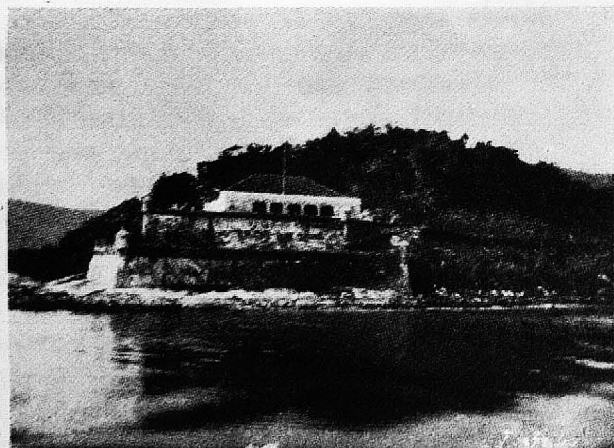
After visiting the Exchange we motored through  
 the residential district and saw some very attractive  
 residences with quantities of bloom in the gardens.  
 We drove for a mile or two along the sandy beach,  
 one of the features of this city, and a very attractive  
 driveway, as the sand is hard and naturally there is  
 no dust.

The harbour of Santos is entered through a  
 narrow strait. On one side of this entrance is the

Monday,  
9th Mar.  
*Continued*

old Spanish Fort. The distance across from shore to shore is, approximately, one-half mile. Inside this entrance the harbour extends for several miles. The harbour is also protected by several islands which lie outside the entrance, and is quite picturesque. A few years ago, Santos was one of the worst fever ports in the world. Many ships going there lost their entire crew through fever, and the ships had to lie abandoned. Now, however, under the direction of the progressive Government which Brazil has, this city, as well as Rio and Sao Paulo, have been cleaned up, modern systems of drainage installed, the streets well paved and well kept, and fever cases are rare in these cities, while visitors need have no uneasiness so long as they pay reasonable attention to the rules of health and sanitation.

Before leaving Brazil I might say that the President now in office, Dr. Arthur da Silva Bernardes, is a man of considerable determination and character. This has made him unpopular in certain quarters and recently led to the revolution, about which we heard, and of which we saw certain signs in Sao Paulo. The revolutionists, numbering at the



OLD SPANISH FORT, SANTOS HARBOUR

beginning about 5,000 or 6,000, had, however, been dispersed, and at the time of our visit there were not more than 1,500 or 2,000 at the most, but as these were scattered and carrying on a guerilla warfare, it took about 20,000 troops to keep them in order, which was a great tax on the resources of the Government. The President, we were told, does not go about in the streets, nor does he leave his palace except on rare occasions; has armed guards with him most of the time, and a revolver at his bedside continuously at night. The cause of his unpopularity is explained by the fact that when elected he determined to balance the Budget, and in his endeavour to accomplish this, dispensed with about 60% of the civil servants, whom he regarded—probably rightly—as useless. He also undertook to enforce the collection of the income tax under a law passed by Congress three years before his election. Many of the larger landholders had not paid anything, and, naturally, did not take kindly to the idea of being forced to pay income tax. All this led to the revolution, which we understand the President has now satisfactorily suppressed. From the character of the people and the wild condition of certain parts of the country it is not surprising that a policy of this kind should create a revolution, as even in Canada the application of the same methods would probably create serious unpleasantness.

It is to be hoped that the President may succeed in bringing his country into a more satisfactory financial condition, and it will not be his fault if he does not accomplish this.

We returned to the "Andes" for lunch and found her a large, well-equipped and comfortable ship. Before sailing we had an opportunity to look over the harbour of Santos, which is really very fine. At the time of our visit there were over 80 sea-going steamers in the harbour. This number, we were told, was more or less of a record, caused largely by a

*Monday.*

*9th Mar.*

*Continued*



*Monday,*      congestion due to the inability of the port authorities  
*9th Mar.*      and the railway to handle the traffic, some of the  
*Continued*      ships having been anchored in the harbour for some  
                  weeks waiting a chance to discharge their cargoes.

It was also explained that as the port docks and wharf facilities are operated under a concession to a company largely controlled by one man, the authorities are not in a position to do much to remedy the situation, but it would look as though the harbours and docks were one of the public utilities that should be at least controlled, if not managed, by the Government.

We left Santos about 4 o'clock and had a pleasant sail down the harbour to the open sea, which was smooth and the weather fine and warm.

*Tuesday,*      Was spent on board the "Andes," having the  
*10th, and*      usual ship life with deck games, bridge, dancing and  
*Wednesday*      other amusements. The service and meals on this  
*11th Mar.*      ship were, I thought, as good as anything one could wish for.

*Thursday,*      Reached Montevideo at 6 a.m. The doctor came  
*12th Mar.*      on board early and cleared the ship, so she went alongside the pier at 8 a.m. As our trunks were to go through with the ship to B.A., we disembarked with our hand-baggage about 8.30 and were cleared at the customs with little delay, Mr. Allen, the local manager of the Bank, and some of his staff meeting us and taking charge of the baggage. We then drove in motors to the Parque Hotel, situated about two miles from the dock on a driveway facing the sea in one of the most attractive parts of the city. The appointments and general character of this hotel are strictly high class, with a large dining-room, ball-room, casino, and in front of the hotel an extensive outdoor restaurant and bar facing the beach. This bathing beach is crowded at almost hours of the day and there are many bathing machines



for those who require them, indicating that people come from all parts of the city to take advantage of this excellent surf bathing. *Thursday, 12th Mar.*  
*Continued*

The ocean driveway extends for several miles, and in the afternoon we took a drive and saw two other hotels, located facing the sea, similar to the Parque, the appearance and style of which our party agreed were equal, if not superior, to anything they had seen in North America or Europe. These hotels are owned by the municipality and at the time of our visit were under the direction of the municipality, although previously they had been rented to, and run by private corporations, and, from our information, under the private management they had been more successful than they were under the municipal management, although we could not find any fault with the accommodation we had.

Montevideo is a summer resort not only for the people of Uruguay, but for a great many Argentinos who come over to enjoy the cooler climate of the seashore from the 15th December to the 1st March.

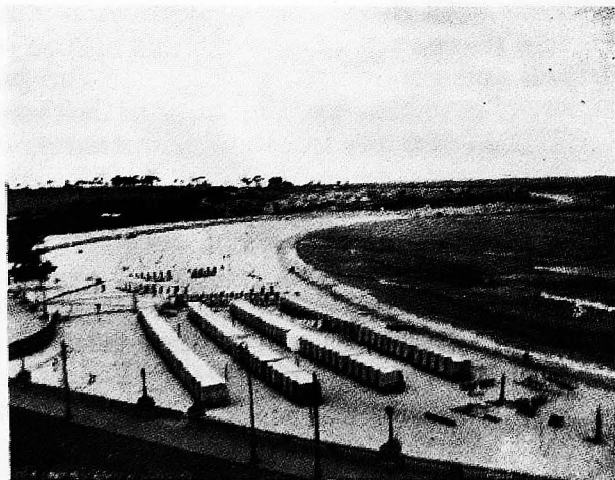
We were a little late to see the more fashionable set who love to parade on a certain popular part of the driveway in the afternoon between 6 p.m. and 7.30 p.m. There were, however, a great many well-dressed and good-looking people on the parade, comparing favourably, we thought, with those one would see at Nice or any fashionable watering place in Europe.

Montevideo gets its name from the cerro or hill around which the city is built. There is a fine harbour with, I understand, plenty of deep water, but it is artificial in the sense that there is an extensive breakwater at the entrance. The city gets its name, traditionally, from one of the early discoverers. A sailor on the lookout shouted "Monte de video," meaning "I see a hill," which indicates pretty well the character of this locality, as the cerro or hill is a very small one, but the only one in the neighbourhood,

*Thursday,* the rest of the city and surrounding country being comparatively level. The city has a population of 400,000 and is well kept, having paved streets, and apparently the State, which is largely responsible for the city (this being the centre of population of the whole country), is in a sufficiently prosperous financial position to keep everything in good shape. The principal industry is the export of cattle. There are several large packing and killing plants located here, including Swift, Armour, Bovril and other British plants. The United States' packing houses, however, control the major portion of this trade.

*12th Mar.*  
*Continued*

The streets in the older portions of the town are cobble-stoned, but in the newer parts and where streets have been rebuilt, asphalt has been used. The houses are mostly low, not more than two stories, with flat roofs, the principal building being the Cathedral, which is surmounted by a dome and has two turrets 130 feet in height. There is a large Italian colony and a British community of about 900 with a British hospital and a King Edward VII. Sanitarium.



BATHING BEACH AT MONTEVIDEO

Montevideo is the chief and only important town of Uruguay. There are several fine banks, a Jockey Club and important Government buildings. The new Parliament Building in course of construction is now about 80 per cent. completed, built of native marbles, of which both in the interior and exterior construction there are a great number of beautiful specimens, with a variety of colouring. The Assembly Chamber and the Senate Chamber will be remarkably handsome when they are completed. The building is divided by a spacious hallway running from the front entrance to the back, not unlike our own buildings in Ottawa, the left-hand portion being devoted to The Senate, its officers and staff, and the other side of the building to the Legislative Assembly. The Senate has 19 members, but the membership of the House of Representatives is regulated by the population, one member being qualified for every 12,000 voters, and elected for a term of three years. An electoral college set up by popular votes elects the Senators, one for each department, for a term of six years, one-third retiring every two years.

*Thursday,  
12th Mar.  
Continued*

In 1921 suffrage was accorded to women and in 1923 a movement was begun with the object of giving women all civil and political rights possessed by men, but we did not hear that this movement had created any special interest.

Besides the exportation of cattle, Uruguay is a large exporter of wool, running annually into the neighbourhood of 100,000 bales. There are also sealing and whaling establishments along the coast, and for the size of the country it does a large and prosperous business. As the port of Montevideo is the natural outlet for a large territory now included in Southern Brazil, there is a movement on foot to extend the boundaries of Uruguay so as to annex this territory, but whether this can be accomplished without a war is a question. Uruguay is regarded as

*Thursday,* the buffer state between Brazil and the Argentine,  
*12th Mar.* and we were given to understand that in the event  
*Continued* of any trouble with either of these nations, Uruguay  
 would get the backing of the other nation in her  
 fight, so that there is not likely to be any warfare  
 between these three countries for some time.

*Friday,* We lunched at the hotel, the guests of the local  
*13th Mar.* manager of the Royal Bank, Mr. Allen, and his staff,  
 and in the evening these gentlemen were Sir Herbert's  
 guests. After lunch we had a motor ride, seeing parts  
 of the city we had not already visited and going  
 through the new Parliament Buildings already  
 referred to, which were of great interest to us. We  
 also drove through their park system, which is quite  
 extensive.

Later in the afternoon we visited Mr. Allen's  
 residence, where Mrs. Allen and her three young  
 daughters received us at tea. Mr. Allen, who is a  
 native of Fredericton, N.B., has a house charac-  
 teristic of this semi-tropical country, but pleasantly  
 located on one of the highest parts of Montevideo,  
 giving every opportunity for a sea-breeze and com-  
 fortable temperature.

We all enjoyed our visit to Mr. Allen's home,  
 and meeting his family. The children are thor-  
 oughly familiar with Spanish, it being the language  
 of the country and commonly used by their play-  
 mates, although the great majority of the educated  
 population of this country, including the children,  
 speak at least two, and frequently three or four  
 different languages.

Returning to the hotel for dinner, we left about  
 10 p.m. to take the boat leaving Montevideo for  
 Buenos Aires at 11 p.m. The distance is a little more  
 than 123 miles by water, and the boat was of a high  
 class coasting steamer design. At the aft-end there  
 is a large and well-equipped restaurant where meals  
 and other refreshments can be obtained, and around

this room, as well as on the two other decks, are state-rooms comfortably fitted with iron beds, and in all respects the boat is well equipped for a steamer of this class. *Friday, 13th Mar. Continued*

Reached Buenos Aires early this morning and were met at the pier by Mr. Dever, the local manager of the Royal Bank, and Mr. Allingham of his staff, who assisted us in getting our hand-baggage through the customs and then escorted us to the hotel. *Saturday, 14th Mar.*

Buenos Aires is nearly 7,000 miles distant from London and is one of the most important and busiest ocean ports in the world. It is the capital of the Argentine, the largest city south of the equator, and one of the wealthiest as well as best built cities in the Southern Hemisphere. It has a population of, approximately, 1,800,000. The city is laid out in squares with right-angle streets, making it fairly easy to find one's way about. The main thoroughfares are evidently modelled after Paris, but the water and drainage system have been installed by British engineers.

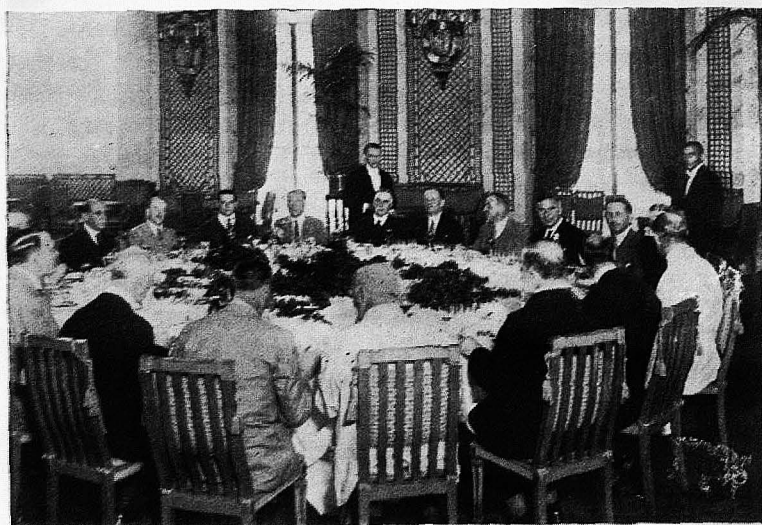
Accommodation had been secured for us at the Plaza Hotel, located opposite one of the parks and quite convenient to the harbour, railway terminals and the business section of the city. It is also well equipped and the restaurant is as high class as anything we have found either in London or Paris. After breakfast at the hotel, we had to go again to the dock in order to identify and clear our trunks and heavy baggage, which had been forwarded direct by the steamer "Andes" to Buenos Aires, and this, as usual, took considerable time, the weather being very warm. The process of identification, examination and other details which are, no doubt, necessary, appeared to us as being excessive in their formality. Returning to the hotel, at 12.30, Mr. Dever gave a luncheon party in honour of Sir Herbert and his guests, the following being present: Sir Herbert S. Holt;



*Saturday,*      Messrs. Charles E. Neill; A. J. Brown, K.C.; W. H.  
*14th Mar.*      McWilliams; A. E. Dymont; Hon. R. Smeaton  
*Continued*      White; G. H. Duggan; C. C. Pineo; W. N. Hardy;  
                  Dr. R. C. Aldao; Harry Usher; Dr. R. E. Halahan;  
                  A. G. Pruden; Major E. L. McColl; Robert Fraser;  
                  Dr. R. Barrau; Cornelio Vivanco; Frederick Heath;  
                  and J. de Brune.

In the afternoon and evening we occupied ourselves looking about the shopping district of the city, the parks and other attractions in and about our immediate neighbourhood.

*Sunday,*      Mr. Duggan accepted an invitation to go for a  
*15th Mar.*      sail with Dr. R. E. Halahan, Surgeon to the British  
                  Hospital in Buenos Aires, and on his return after a  
                  whole day's yachting reported that sailing, boating  
                  and other aquatic sports were evidently well thought  
                  of in Buenos Aires, as there was a fine yacht club-  
                  house, which indicated to what extent the men of the  
                  city enjoyed themselves in this way.



LUNCHEON PARTY GIVEN BY MR. DEVER, BUENOS AIRES

The others of the party were the guests of Dr. *Sunday,*  
 R. C. Aldao, Solicitor of the Royal Bank in Argen- *15th Mar.*  
 tina, who called for us at 9.30 a.m. with a couple of *Continued*  
 motors, and drove first to the City Club-house of  
 the Jockey Club—this building and Club being  
 world-famous. The membership of the Club is  
 exclusive, being confined almost entirely to residents  
 and natives of Argentina, although there are a few  
 exceptions, and it is considered a great compliment  
 when any other than an Argentine is elected to  
 membership of this Club. It is an old institution,  
 and as they have had, for a good many years, the  
 race track pari-mutuel concessions upon which the  
 Club collects 10%, large revenues have been the  
 rule. Out of these collections the Government  
 receives 5%, the balance being devoted to the  
 maintenance of the City Club-house and the race  
 track. All surplus over and above the requirements  
 for the maintenance of these two houses, outside the  
 subscription paid by members—which, I understand,  
 is very small, apart from the initial subscription—  
 the annual surplus, which is at times quite large, is  
 distributed amongst the charitable institutions of  
 the city. Later on we visited the race track, and  
 although it was not at the height of the season nor  
 considered a very good day, the betting on each  
 race—there being 7 or 8 races in all—averaged over  
 \$100,000 in gold, and we were told that on a big race  
 with a capital purse the betting might run from  
 \$300,000 to \$500,000 on a single race. From this it  
 can be easily estimated that this Club has had for a  
 long time, and still has, a very considerable revenue.  
 There is some opposition to the continuance of these  
 racing privileges and also to the betting, and as a  
 concession to this sentiment, the Government has  
 already restricted the racing days to two days a  
 week and the racing to a certain number of weeks  
 through the year. The Club-house is large and  
 handsomely furnished and contains a great many

Sunday,  
15th Mar.  
*Continued*

art treasures, well-known and valuable paintings, also some very fine examples of statuary both in bronze and marble. Naturally, with such large revenues, the china, glassware, silver and other furnishings of the Club are of the very best, and probably no other club has such extravagant and high class furnishings, taken as a whole. The members' dining-rooms and private rooms include those for ladies, a library, billiard and card-rooms, all elaborately furnished. The members receive no dividends from the revenues of the Club, but it is said that the best meals at the lowest prices are obtainable at the Jockey Club by its members.

The city or town house of the Club has been extended from time to time, and further extensions are now under consideration, all of which naturally comes from the annual funds collected by the Club from the race track. There is also evidence at the track itself that there is no stint of money, as the grounds and whole environment are kept in very fine shape.

Dr. Aldao then took us to a smaller, but the most exclusive Club in Buenos Aires, the Club des Armes. This Club is very small, has a limited membership, was originally started as a fencing club, and still has a large room for fencing exercises. It has now, however, developed into an exclusive club for older men, who go there when they wish to find a quiet and comfortable place to have their meal or read the newspapers.

We then went to a new Athletic Club in which the Doctor is interested, situated almost alongside the race track and Palermo Park. The Doctor, although a native of Argentina and very well known—being prominent in the Argentine exclusive social set—does not approve of horse-racing, and more especially of the gambling feature of it. He claims he has never, although attending many races at this track, wagered a bet on the result. The new Athletic Club when

finished will be a very extensive place. At present *Sunday,*  
the swimming tank, dressing-rooms belonging to it, *15th Mar.*  
tennis, hand-ball and jai-a-li courts have been *Continued*  
erected, and as funds come in this will be extended  
to include a stadium with athletic grounds, for  
football and other games; a gymnasium and many  
other facilities for athletic activities. The idea  
appears to be that this new athletic accommodation  
might be the means of attracting many young men—  
who would go to the race track for want of better  
amusement—and induce them to indulge in various  
forms of athletics which (according to the Doctor  
and many of his friends who are backing up the  
enterprise and have already collected a very large  
sum of money) will be more healthful and beneficial  
to them.

The tract of land upon which it is proposed to  
develop this new Club is extensive and probably  
comprises 60 or 70 acres.

We drove through the Palermo Park, which has  
many very beautiful monuments and well-shaded  
driveways and walks, as well as artificial ponds in  
which are numerous water birds. There is also a  
great variety of flowering trees, shrubs and other  
plants.

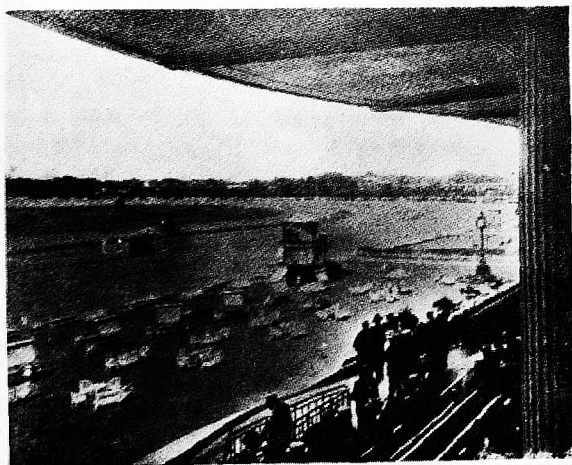
We then drove to the Doctor's residence at 12.30,  
where he offered us a glass of sherry and a biscuit.  
The house is probably a typical dwelling of the better  
and wealthier class of Argentinos and is beautifully  
laid out and finished. Being in a semi-tropical  
country, it is in many ways different to our style of  
architecture. The Doctor and his wife have evi-  
dently been great travellers, as the house contained  
many interesting souvenirs of their travels brought  
from Europe, Asia and the United States.

We next drove to the celebrated race track, where  
we had luncheon and afterwards attended the racing.  
There are three parallel tracks, and in the centre of  
these the ground is laid out with ponds, flowers and

*Sunday,  
15th Mar.*

*Continued*

well-kept grass lawns. The grand stand is a huge affair, permanently built with steel and concrete, and consists really of three separate stands, one being exclusively for the use of members and friends who have been introduced; another for the use of members and friends who are not necessarily accepted by the majority of members. The third is for the public, divided as usual into two or three different sections. There is a restaurant connected with each of these grand stands, and the usual number of betting booths for the pari-mutuel, as well as the wickets for making payment to the winners. The tickets are all in denominations of two pesos, which on the present exchange is about 80c. If the bettor wishes to bet 100 pesos he is given a ticket marked 50, which means 50 times two—two pesos being the basic number. The tickets are, of course, arranged as under our system, the number of the race and the number of the horse being marked on the ticket in addition to the amount bet. There appeared to be a good number of entries for each race, anywhere from 10 to 15 horses, and as far as I could judge



RACE TRACK AT BUENOS AIRES



from my limited knowledge of horse-racing, the quality of the horses and the racing were exceptionally good. *Sunday, 15th Mar.*

*Continued*

After seeing three or four races, Mr. McWilliams found the heat bother him and suggested returning to the hotel, which I was very glad to do, reaching the Plaza about 5 p.m. The heat, however, still continued, and although trying to cool off—sitting in deshabelle in my room—it was quite impossible to keep cool, although there was a comfortable breeze that made living tolerable.

Another very hot day. We were told—as is usual under these conditions—by residents who have lived in Buenos Aires for thirty years, that they did not remember, during their residence in that city, a spell so long and so hot as the present one. The heat we experienced for the last three days was, no doubt, quite exceptional, as the ordinary climate at this time of year in Buenos Aires is most agreeable. *Monday, 16th Mar.*

The Bankers of our party went down early to the city in connection with their own business, but due to the weather conditions I did not leave my room too early. We were located in the front of the building, and about 9 o'clock the mounted police and foot troops began to collect to line the streets in front of the hotel in preparation for the reception to ex-President Alessandri of Chile, who was expected to disembark from a warship that had brought him the night before from Montevideo, and to come to our hotel. Alessandri was banished from his country during the winter (July) of 1924, and as the Military Council which has endeavoured to run the Government since then has not been a success, he has been invited back, and this reception took place on his way to Chile. The local police were in full-dress uniform, not unlike that of the French gendarmes. Several companies of infantry lined the streets between the dock and our hotel where the President was to pass.

*Monday,* When he finally arrived, a little after 10 a.m., he  
*16th Mar.* was escorted by the President of the Argentine and  
*Continued* local celebrities, the party being in open coaches  
each drawn by four remarkably good horses. The  
procession was made up of the mounted Argentine  
troops and officials from the army and navy of both  
the Argentine and Chile. The show was a very  
creditable one, and as there was an immense crowd  
along the streets he was given a most enthusiastic  
reception. In looking at a crowd of this character,  
which was the first we had seen in the Argentine, it  
was noticeable how well-dressed, good-looking and  
well-behaved these people were, and I consider they  
would compare favourably with citizens in any  
other large city in the world.

Alessandri, who was elected to the Presidency  
nearly three years ago, is one of the first represen-  
tatives of the Reform Party elected, there being for a  
long period of 30 or 40 years Presidents elected from  
the Conservatives, who represent the wealthier class  
and the Churchmen in Chile. Although he appar-  
ently had, and has, a great support from the popular  
vote, these radical reforms were more than the  
Conservatives, particularly those representing the  
Army, would stand, and as a consequence they  
decided that Alessandri should be removed and  
Parliament dissolved. The President was able to  
escape with his life through the back door of his  
palace and took refuge at the American Embassy.  
Later on, through the good offices of the American  
Ambassador, he received papers which enabled him  
to leave the country.

The story is told that at the time he was made  
President he was given a paper-weight or some  
ornament representing a lion, and this, apparently,  
was about the only article he was able to rescue in  
his flight, it being of gold and of some value. This he  
gave to the American Ambassador in recognition of  
his services to him. After receiving his papers to

quit the country some of his friends collected about 50,000 pesos, which were given to him and enabled him to go to Europe. He spent most of his exile between Paris, Rome and other European cities. The Government was carried on by a Committee of three—the President having been deposed, Parliament dissolved—but apparently the popular feeling ran so strongly the governing Committee found it impossible to carry on, and sent for Alessandri to come back. Whether he will be able to carry out his extreme radical views, or whether his visit to Europe has modified his ideas, remains to be seen. His term of office will expire in October of this year, and under the present constitution of Chile he is not eligible for re-election, and unless his policy between now and that date is such as to persuade the Chileans it is necessary to amend the constitution to enable him to be re-elected, the balance of his term of Presidency will be comparatively short.

At 12.30 Major McColl, Canadian Trade Commissioner in Buenos Aires, gave Sir Herbert and his party a luncheon at the Plaza Hotel, and in addition to our party there were present: The British Minister, Sir Beilby Alston, K.C.M.G., C.B.; Mr. T. F. Dever; Major E. L. McColl; Messrs. Montes de Oca; Jorge Mitre; A. G. Pruden; Harry Usher; George Cockshutt; Alexander McKerrow; F. Scott; W. N. Hardy; H. H. Leng.

I sat next Sir Beilby Alston, the British Minister for Argentina, and had a very interesting chat with him. He has spent most of his diplomatic career in Northern China and was exchanged to Buenos Aires largely on account of his health, as his physician advised him he must find a warmer climate. As he knew General Knox and other people I had met, we soon established a pleasant conversation. He suggested that President Alessandri might not find the way too smooth when he returned to Chile, as he had been interviewed, that day, by a deputation

*Monday,  
16th Mar.  
Continued*

Monday,  
16th Mar.  
*Continued*

of his own people from Chile who sought to make terms with him as to the policy he would carry out on his return, and it was suggested he might not have an entirely free hand with his former policy.

In the afternoon we made a further tour of the shopping district, visiting Harrods and some of the other large stores which are branches of the London firms. In the evening it was cooler, but we did not go farther than the park in front of the hotel. It was decided, instead of leaving for Santiago on Sunday to start on Wednesday, there being only two transcontinental passenger trains each week.

Tuesday,  
17th Mar.

Later a very heavy rain cooled the air. It started with heavy thunder and showers, and as they have not had rain here for some weeks, this heavy shower was most acceptable. The rain continued most of the day, and as we contemplate a railway trip tomorrow no doubt everything will be more pleasant. Part of the morning was devoted to packing and sorting our clothes as our trunks are to be shipped from here direct to the steamer at Valparaiso, and we had to pack enough clothing in a suit-case for the next eight days.

In the afternoon we visited the Royal Bank, which is very well housed in this city. The building is located on a prominent corner in the business centre of the city and has ample accommodation for the already large business with room for extension. In addition to the main floor there is a high and well-aired basement, where a number of the offices, the vaults and other accessories to the Bank are located. Both floors are well ventilated and probably as cool and comfortable as offices can be in this warm climate. At four o'clock Sir Herbert, Mr. Neill, Mr. Dever and I paid an official visit to the Banco de la Nación Argentina and were received by Sig. Rafael Herrera Vegas, the President of the Bank, also Dr. Celestino I. Marcó, Vice-President, and several of the Directors,

viz.: Messrs. Enrique Santamarina; Leocadio F. Paz; Tomás E. de Estrada; Raul G. Torrnet; Samuel Hale Pearson; who were most cordial in their reception.

*Tuesday,  
17th Mar.  
Continued*

We were shown the offices of the various superior officials, and then taken to the Board-room, where a further informal reception was held, after which we were invited to adjourn to an ante-room beautifully furnished, including a table set out with plates of sandwiches and numerous wine glasses. Very soon the noise of the opening of champagne bottles announced the character of the entertainment. Nothing could have been more hospitable or cordial than the reception given us, and I hope Sir Herbert Holt, as President of the Royal Bank, and his General Manager were duly impressed and that similar receptions will be accorded to visitors in Canada. We were given a general view of the building, which was originally a large opera-house. This Bank, however, has almost completed a new building, which they propose to occupy shortly.

This move, as the Directors explained to us, is a matter requiring a good deal of consideration, as the Bank carries on a very large business which, naturally, cannot be interrupted, and it is proposed, as soon as the new building is completed, to move the business in sections to the new premises, which are situated quite close to the old ones.

We measured the frontage of the new building and found it was over 200 feet, the depth and height being in proportion, so that its size and character, which is of handsome design, can be readily imagined.

This Bank, as its name implies, does for the Argentine pretty much the same work, but not quite on the same lines, as the Federal Reserve Bank does for the United States. There are branches practically in all towns large enough to demand banking facilities throughout the entire Argentine, and it is the banker and financial agent of the Government in this country.



Tuesday,  
17th Mar.  
*Continued*

As an indication of the credit of the Argentine at present, we were advised by the Bank that any securities the Argentine wishes to offer to foreign markets at from  $6\frac{1}{2}\%$  to  $7\%$  were successfully handled at par.

This Bank appears to have been very creditably and well managed, which has, no doubt, contributed a great deal to the success of the Republic in conserving the currency on a gold basis.

The capital of the Bank, as represented by the surplus profits, at the end of 1924, was \$153,018,-260.61 paper and \$25,000,000 in gold, making a total of nearly \$200,000,000, with a reserve fund of over \$80,000,000.

This institution is governed by a Board of twelve directors who are appointed by the Government for a term of three years, but each year four directors retire or are reappointed for a further term. Judging by the gentlemen we met, representing the Board, it was evident that the Government had selected them rather for their position and knowledge of business than from political consideration, which no doubt accounts for the very high standard the Bank has attained under their direction.

Before leaving they expressed to us not only the pleasure they had in receiving Sir Herbert and those with him, but also the interest they took in Canadian affairs, and hoped we would become better acquainted and that trade between the Argentine and Canada would increase, at the same time assuring us of their utmost goodwill.

Returning to the Royal Bank, we met the other members of our party, Mr. A. J. Brown, Mr. Duggan, Mr. Dymont, Mr. McWilliams and Mr. Pineo, and at 5.30 the whole party made an official visit, as previously arranged, to the Council of the British Chamber of Commerce. Here we again met Major McColl, the Canadian Agent, and the President of the Board, Mr. A. G. Pruden. There were also

several members of the Council present, viz.: Messrs. *Tuesday,*  
 Herbert Dorning; Stuart Plowright; Andrew M. *17th Mar.*  
 Wilson; A. Stuart Turner; Harold B. Buxton; *Continued*  
 William Cameron Paterson; Howard Williams, C.B.E.;  
 William C. Chirgwin, Secretary.

Mr. Pruden welcomed Sir Herbert and his party, in a more or less formal address, to which Sir Herbert suitably replied. We then had a general conversation on trade matters with the Argentine, and found that the British Chamber of Commerce had been established for some years, and was doing a very successful work. Many of the large exporting firms are British and have been operating in the Argentine for years, so that, naturally, their interests are such as to require an organization of this character. We were not a little surprised to see in the list of membership, which comprised about 300 firms, the names of a great many prominent English importers and exporters who do business not only in the Argentine and South America, but throughout the world.

In a review of the economic conditions of the Argentine for the past year, we were told that the Executive presided over by Dr. Marcelo T. de Alvear had maintained in all respects the prestige with which he was received at the time of his election to the Presidency in October, 1922.

During the year, the Government found it necessary to suspend one of their national laws which obliges the employer or wage payer to insure nearly every individual engaged in production or commerce. The difficulty of enforcing this law was that foreign capitalists had invested great amounts in Argentina, and they protested against this excessive tax, while the threat by the employees that if it was not carried out in its entirety they would enforce it by strike, brought about a condition of confusion which compelled the Government to temporarily suspend this law, and in my opinion any extreme laws of

*Tuesday, 17th Mar.* this character would bring about similar results in any commercial community.

*Continued*

The Customs Revenues during 1924 increased by 23,000,000 pesos paper, and other sources of taxation also increased; the only decline being in the tax on luxury consumption, which showed a falling off of 12,000,000 paper pesos.

The foreign trade balance was in favour of the Argentine, and it was expected that the showing of the whole year would give an increase over the previous year of 230,000,000 pesos gold. The exports included 11 million tons of grain and linseed, and as chilled meats and other cattle products are the principal commodities for export, this would indicate that the Argentine is a serious competitor against Canada for foreign trade in food-stuffs.

The value of the gold peso improved during the year 1924, 25%, so that at the end of December, 1924, it was only at a discount of 5 or 6%, and we understood that at the time of our visit it had practically reached par.

Last year the Argentine exported 9,200,000 ox hides, and, of course, a great number of other commodities such as petroleum and wool might be added to this list.

Concluding our visit to the British Chamber of Commerce, we returned to the hotel, first making some purchases required in view of the train journey the following day. Among other things suggested was a linen dust coat, but when we actually did get on the railway we found that the recent rains and the fact that the railway is largely stone ballasted made this purchase quite unnecessary.

*Wednesday 18th Mar.* Left Buenos Aires at 8.15 a.m. by the Buenos Aires and Pacific Railway for Mendoza. Through the good offices of Mr. Usher, the General Manager of the road, excellent accommodation had been secured, one coach containing a large state-room and

three smaller sleeping compartments, in addition to observation and smoking room. This car was reserved for our party, but as we required further accommodation, it was secured in a forward coach having compartments similar to those in the special coach.

*Wednesday  
18th Mar.  
Continued*

The distance from Buenos Aires to Mendoza, our first stop, is 1,048 kilometres, or approximately 650 statute miles. During the first hour or so we passed a number of interesting places throughout the suburbs of the city, one being the Orphans' Asylum, managed by the St. Vincent de Paul Association, which is a large and apparently up-to-date, well-equipped and well-managed institution.

We also saw, from the train, a large shooting range, owned and used principally by the members of the Italian colony, who are quite numerous in and about the city of Buenos Aires. We also passed the Campo de Mayo, a large military barracks and parade ground; then El Palomar, which corresponds to the English Hurlingham near London, a resort for the many Englishmen who are attracted by the race course, golf links and other sporting features, which make this suburb very popular with many people doing business in Buenos Aires.

After about an hour's ride we began to clear the city, and then the suburbs, and get out to the campa. This territory, which we traversed for the rest of the day, is much of the same character as a good portion of our North-western provinces, being a flat open prairie with a few small towns along the railway, and has been for many years a great grazing ground for cattle, there being a good growth of grass. There were herds of cattle everywhere, numbering anywhere from a band of 50 up to 500 or more in one lot. It was also evident, even from such observation as could be made in passing through this territory, that the herds included a number of imported prize bulls, all, naturally, of the beef cattle class,

*Wednesday* such as Shorthorns, Herefords, Polled Angus, and  
*18th Mar.* several other breeds; all the cattle being heavy and

*Continued*

well nourished. Naturally, the advantage that this country has over Canada is that there are no such climatic difficulties as entail the housing of the cattle during the winter, the temperature in a large part of the Argentine not going below 36° or 44° at the coldest periods in winter. This does not apply to the more southerly parts, but even there we understood that the grazing lands were very rich and that great numbers of cattle and sheep were being successfully taken care of. In fact, the more southerly part of the Argentine is regarded as the richest farming and grazing land in the whole country. The Argentine claims to have some 37 million head of cattle and nearly 45 million head of sheep, as well as large numbers of horses and hogs.

We also saw in many of the fields, while passing on the train, large flocks of ostriches, as well as turkeys and other domestic fowl. In certain parts of the territory there were large bodies of open water similar to our sloughs in the north-west, and in these were large numbers of ducks, flamingoes, geese, gulls and other aquatic birds.

The territory through which the railway runs is almost a flat plain, but is not the richest, the better pasturing land being situated farther south. The appearance of the cattle, however, although we were travelling through the country in the beginning of the fall when they had been through the hot weather, was very good, they apparently being all fit for the market. The packing plants in Buenos Aires handle several thousand head daily, as well as a great number of hogs and sheep.

Owing to their superior, or more temperate climatic conditions, it will be difficult for the Canadian farmer to expect any high prices for his chilled beef export in competition with this great meat-producing country, and I would estimate that the carriage rates



from most parts of the Argentine to the markets in Europe would not be much more than they are from our North-west. We were told that in addition to the water fowl we saw—weather conditions favouring them—that on the campa were prairie partridges and other game in great abundance.

*Wednesday  
18th Mar.  
Continued*

All day long we travelled through a similar country and tired of looking at the great herds of cattle everywhere. The fencing is of wire and many of the posts are steel, which, we understand, is almost as cheap as wood, owing to the scarcity of forests in this part of the world. Many of the estancia or farm-houses looked to be well and comfortably built with trees planted around the house and avenues for wind-breaks and shades similar to the layout in our own Canadian western farms. Alfalfa appears to have been extensively cultivated, and we saw large stacks of hay as well as silos for corn, this feed presumably being kept for finishing the cattle or in event of there being, as there must be at certain times, a shortage in grass.

At dark we were still travelling through prairie land, and as far as we could judge we had not gone up any great elevation since leaving Buenos Aires.

On looking out of the window of the car at 6 a.m., I had my first view of the Andes, the sun, which was just rising, striking on the snow-peaks, a very fine sight. The appearance of the country here had changed entirely from that of the day before, and we realized from the difference in temperature that we were on a higher elevation, having as a matter of fact gone up over 2,000 feet.

*Thursday,  
19th Mar.*

We reached Mendoza at 8 a.m., and at this point transferred from the broad gauge line on which we had been travelling since leaving Buenos Aires, to a narrow gauge, upon which we were to resume our journey over the Andes to the west coast.

One of the characteristics of the country in this

*Thursday,* district is the intensive cultivation of not only grapes  
*19th Mar.* but other fruits. There were orchards of apples,  
*Continued* pears and many tropical fruits all along the route, as well as a number of field crops, the land evidently being very fertile, the water being obtained by irrigation from the river Mendoza, a stream of considerable size coming from the melting snows in the mountains, the rainfall in this district being practically nil.

The city of Mendoza has streets lined with trees, as are its plazas, and many of the houses appear to be extensive with well-kept and luxuriant gardens with an abundance of flowering trees, palms, shrubs and other plants.

We had breakfasted on the train and transferred at Mendoza from the broad gauge, as I say above, to the narrow gauge, where we found good accommodation on the train, including a chair car and diner.

This road is equipped with a double-end locomotive having driving power at each end, the rear drivers connected with the cog which works on the steeper grades. There is a steel ratchet of 6" or 8" high laid between the rails which operates in connection with the cog, thus controlling the train both in ascending and descending.

The town of Mendoza is at the foot-hills of the Andes range, and almost immediately after leaving the railway station we found ourselves out in nearly a desert country, there being practically no vegetation. A fairly steep grade began from this point, and although the right-of-way runs not very far from the river, the river is so far below the right-of-way and the plateau upon which we were running as to make irrigation too expensive to be profitable.

There are many tunnels and some switch-backs on the road going up through the mountains, and the engineering accomplishments are quite unique and remarkable. We soon got into the bare hills of the Andes, where there is no vegetation of any kind,

excepting in little pockets near a stream or river where irrigation is practicable.

*Thursday,  
19th Mar.  
Continued*

The line follows the river for a considerable distance, giving some fine views of canyons and gulches through this pass in the mountains. The face of the hills is absolutely bare. After 15 or 20 miles we were in amongst the hills, and Sir Herbert began to pick out the old trail Camino de los Andes, which he had used when crossing on mule-back 35 years ago. This old road passes through the Cumbre Pass 2,630 feet above the line of the railway, and nearly 13,500 feet above sea level. It is at this point that the famous bronze statue of the "Christus" is placed. The inscription on the statue translated reads as follows:

"Sooner shall these mountains crumble into dust than the people of Argentine and Chile break the peace which they have sworn to maintain at the feet of Christ the Redeemer."

Notwithstanding this solemn pact it is hardly conceivable that an international dispute could ever lead these two nations into war, as their interests do not conflict, and nature has planted a great natural barrier on the international boundary in the inhospitable range of the Andes. It would be impracticable for either nation to move a modern army with their equipment and supplies over this range, except with the co-operation of the nations on both sides of these great desolate hills. What buildings we saw other than the railway stations, and there were not many, were most primitive, being mud, bamboo or adobe huts with straw roofs, but generally surrounded with flowers and flowering hedges.

From the appearance of the trail, the description Sir Herbert gave of his trip and the difficulties encountered on it were not in any sense exaggerated.

With his engineers and two American sub-contractors he came to Chile in December, 1889, to

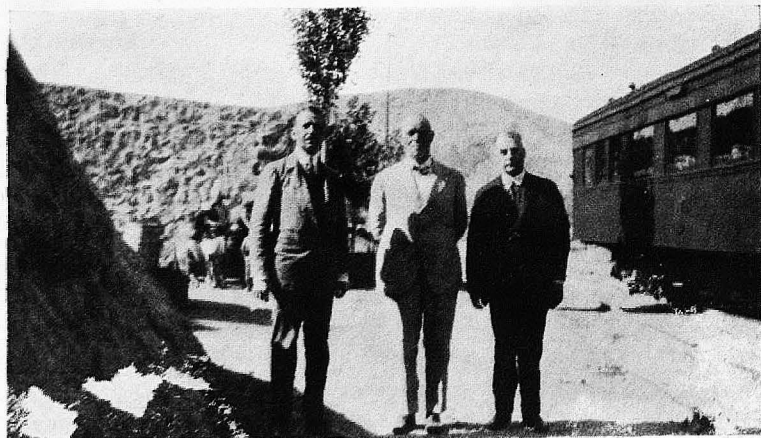
Thursday,  
19th Mar.

*Continued*

tender on a railway line the Chilean Government proposed to construct. After considerable negotiations they obtained a contract amounting to nearly 40 million dollars, but later on the conditions imposed by the Government made the contract undesirable and they were obliged to abandon the enterprise.

The party then started from Los Andes, Chile, across the mountains, to reach the railway at Mendoza in the Argentine, as this was the most direct and convenient method of getting home.

Arrangements were made with a contractor, who agreed, in addition to furnishing the required number of mules for the party and their baggage, to supply additional mules and feed at the various stations where they expected to spend the night, so that they might have fresh animals properly fed during the entire journey. The start was made from Santa Rosa, a small town between Santiago and Los Andes—the objective being Mendoza, a distance of nearly 200 miles, practically the whole road being through the mountains in a desert country. They left the first week in March, 1890, and Sir Herbert



WAY STATION CROSSING THE ANDES

completed his trip in five days, riding the same mule all the way, although other members of the party took a day or two longer, as the pace set was more than they could maintain. The first day they made an early start, had fairly easy going and made over 30 miles. They then stopped for the night, expecting to find, as contracted for, fresh mules with an ample supply of feed, but evidently the contractor was not honest and did not fulfil his contract; there were no mules or feed, but they were told both had been sent on and would probably be waiting for them at the next stopping place the following night. The same story was repeated at each point where they spent the night, and if the contractor misunderstood his written contract and allowed the extra mules and supply of feed to beat the party across the mountains, Sir Herbert did not accept the same interpretation, as will be seen later.

*Thursday.*  
*19th Mar.*  
*Continued*

Sleeping accommodation at these stopping points consisted of a shelter in which the traveller could make his own bed by rolling himself up in a blanket. As this part of the country seldom gets rain, the accommodation was, at least, dry and at times reasonably clean. On account of the limited accommodation afforded, Sir Herbert kept ahead in order to reach the stopping place as early as possible to secure such accommodation as might be had. This led to a disagreement with an Englishman who had joined them on the trail, who, after being disappointed on the first two nights—as Sir Herbert arrived first and secured the accommodation—decided on the following night not to recognize the prior claim but to force his way in to the reserved accommodation. This appeal to force being a game at which two can play, Sir Herbert cheerfully accepted the invitation, and an eviction in good style followed. It is only fair to add that, in his endeavour to secure this accommodation, Sir Herbert was not looking out for himself, as he was satisfied with, and accepted the



Thursday, same accommodation as his English opponent,  
 19th Mar. but he thought that two of his contractor friends,  
*Continued* both much older men, should have at least some protection during the night.

The trail, as we saw it, winds along the face of the hills, is quite narrow and only possible for goats and mules. At first Sir Herbert thought he would ease his mule on the steep grades, by dismounting and leading him, but this innovation was not appreciated by the mule, which started, as soon as Sir Herbert had dismounted, to run up the mountain and off the trail, so that further progress was only made by keeping seated on his back. The eccentricity on the part of the mule is also exhibited in another way by the llama, an animal much used for transportation in Peru and many parts of the Andes, which will only take a load of 80 pounds. Under this load he will get up willingly and carry it, but if an additional one or two pounds is put on he absolutely refuses to move. This, I am assured, is an absolute fact, and is well recognized by all transportation experts who have to do with these animals.

In many places the trail was not only steep going up but also coming down, and when one pictures a narrow trail with sharp turns, frequently at a point where there is a straight-away fall of several hundred feet, the sensation of being on a mule's back and coasting down this steep slope is one that should satisfy any moving picture artist who has an appetite for thrills.

Mules traversing this trail frequently did miss their steps, but they were considered very cheap in those days, and I presume allowances were made for this in the charges for transportation.

Owing to the failure of the contractor in supplying fresh mules and supplies, it was necessary to push on as rapidly as possible, and at one point, where there was a canyon between two high hills, Sir Herbert, who was well in advance of the rest of the party,

met three suspicious looking men and sensed trouble. *Thursday, 19th Mar.*  
 After he had passed them he looked round and noticed that they had stopped, so made up his mind he had better prepare for action. On dismounting from his mule he felt for his revolver, at the same time remembering that he had that morning put it in his pack. As he got behind his mule and made as though he were preparing for action should they advance towards him, they evidently sized up the situation and made up their minds he might be a good shot and they were not prepared for a fight under these conditions, particularly as he was sheltered by the mule. The party, therefore, took him at his word and went on in the opposite direction and he was able to proceed without any further trouble. His friend the Englishman, however, who was following about half an hour later, was not so fortunate, as he was held up, presumably by the same gang, who took his money and all valuables away from him. It would look as though this traveller did not have a very entertaining or profitable trip. *Continued*

When the Cumbre Pass was reached at nearly 13,700 feet up, the highest point on the trail, surrounded by peaks 5,000 feet higher, an interesting phenomenon was observed. Some four or five hours after sunrise, for several hours, there is a hurricane of wind blowing through this Pass, making it unsafe to travel, as the force is sufficient to blow a man and his mule off the trail into the canyon below, and the traveller is forced to take shelter in the very substantially built concrete huts located along this part of the trail. This phenomenon after sunrise is caused by the heating and expansion of the air on the east side which is forced against the mountains and drawn through the Pass to points where the air is cooler, as to a vacuum, which causes this tremendous force of wind for a short time.

Sir Herbert finally reached Mendoza, but did not go into detail as to the settlement he made with his

*Thursday, 19th Mar.* contractor who had failed to furnish fresh mules and fodder.

*Continued*

From Mendoza he had a stage trip of some 30 or 40 miles to the then terminus of the railway, although the rails had been laid to Mendoza. A stage with four mules was arranged for and Sir Herbert expected to leave the next morning from the other side of the river. Later in the evening, after the contract had been made, the contractor came back and informed him that there was difficulty in securing good mules, and double the price would have to be paid as he could not carry out his former contract.

Appreciating the methods of the Chilean contractor, Sir Herbert made up his mind he would have to find some other method of transportation, and, fortunately, meeting the chief engineer of construction on the railway, this gentleman, on hearing the condition, courteously arranged to take him to that part of the railway then under operation on one of his construction trains, and Sir Herbert had the satisfaction—when he went over in the morning—of telling the contractor, who was ready with his coach and mules, that he had no further use for him.

The methods of the Chilean contractors may be crude, but I think the principles which govern their business dealings are not entirely unknown nearer home. Naturally, the mule Sir Herbert had ridden for six days, at over 40 miles a day, was all in on arrival from the rough going and very little feed. It was extremely creditable to his kind that he was able to accomplish this, and it was pleasing to learn that after being turned on to good grass for a week or two he would be ready for another similar trip.

The scenery for most of the day was grand, but the barren hills become monotonous and lack variety. About 1.30 p.m. we reached the summit near the boundary between Chile and Argentina. At this point the train goes through a tunnel 10,384 feet long and at an altitude of 10,778 feet above sea

level. At 3 p.m. we reached Puente del Inca, *Thursday, 19th Mar.*  
 where there was a large hotel, to which visitors are attracted not only by the high altitude and rarefied air, but by the natural warm mineral baths famous for their curative properties for rheumatism and other physical ailments. At this point there is also a famous natural bridge of rock spanning the Mendoza river, the top about 100 feet above the level of the stream. The bridge itself is about 15 feet thick in the centre or shallow part, making an arch of rock, and gives a very substantial roadway spanning the stream about 150 feet and 40 or 50 feet wide, evidently formed by the action of the river. Close to Puente del Inca can be seen the peak of Aconcagua, the highest mountain in the Western Hemisphere, being about 22,800 feet high.

The returning President of Chile—Alessandri—whose train was following ours, was to spend the night here, going on next morning, so as to time his arrival at Santiago for the afternoon.

From here we were on Chilean territory and began to make a rapid descent, down some very steep grades where both the brakes and supplementary cogs were applied to regulate the speed of the train. There were, as on the Argentina side, a great many extensive tunnels, rock-cuttings, and in many places the right-of-way was cut out of the rock on the face of the hill. We had many fine views, and generally at either end of a tunnel could look down the canyons for a very considerable distance. After these heavy grades had been traversed and we reached the lower level we passed through some fine agricultural and grazing country, which, although practically rainless, is supplied with the necessary water through the streams running down from the glaciers in the mountains back of it.

We reached Los Andes, a junction point, at 7.20 p.m. Some of our fellow-passengers changed here for Santiago, after a wait of over an hour to make

*Thursday,*    the connection, and the train we had been travelling  
*19th Mar.*    on proceeded to Valparaiso. Those who went through  
*Continued*    to Santiago reached their destination about midnight.

We found a comfortable hotel, although in equip-  
 ment second class, at Los Andes owned by the  
 railway company, but as it was clean, the food and  
 beds both good, we found the accommodation very  
 satisfactory after thirty-six hours of railroad travel.

Los Andes has a population of about 10,000 and  
 is the centre of the agricultural and vine-growing  
 district of the province of Aconcagua. We did not  
 see much of the town, as after dinner it became dark  
 and we left early next morning. It seemed, however,  
 a smart enough town as Chilean towns go, the streets  
 being fairly good and well kept.

*Friday,*      We left Los Andes at 8.15 a.m. and arrived at  
*20th Mar.*    Santiago at noon. Here we found good accommo-  
                 dation at the Savoy Hotel, the rooms clean, the meals  
                 and dining-room service good and at most reasonable  
                 prices. The afternoon was devoted to seeing the  
                 reception of President Alessandri, as a civic holiday  
                 had been declared and there was nothing doing so far  
                 as the stores or public buildings were concerned.  
                 Our party was divided, Mr. Neill and I taking a  
                 Ford taxi. After looking things over we finally  
                 located in front of the British legation, facing the  
                 Alameda or road where the President's procession  
                 was to pass. The streets were crowded with people  
                 and motor cars, and it was evidently intended to give  
                 the President a first-class welcome. The Alameda  
                 up which the procession was to pass from the railway  
                 station to the Palace is a driveway about half a mile  
                 or more long, bordered with trees on each side,  
                 making a very creditable showing, particularly in a  
                 dry country like Chile. We reached our location at  
                 2.45, but had to wait until 4.30 before the President  
                 arrived. There was plenty to interest us, however,  
                 in the interval, as in addition to the crowd, which



seemed to grow larger all the time, there were a *Friday.*  
 number of military and several labour union societies *20th Mar.*  
 —the latter carrying banners and flags, and generally *Continued*

headed by a band—assembling to go down to the station and join the procession. The crowd was well behaved and the police appeared to have control, as we did not see any sign of rough or unseemly behaviour, and although there were a great many people they were all very good-natured. As we kept getting in and out of our taxi to make sure of a good view of the procession when it arrived, we found ourselves, when on foot, amongst a very considerable crowd. In addition to two amounts of American money which I had in different pockets, I had some 500 or 600 Chilean pesos in the side pocket of my trousers, and in protecting the American money, which was of more value, I must have been somewhat careless with the Chilean, as later on, after the procession had passed us and I insisted upon paying the taxi, I found I had no money to pay it with. I did not consider this was any great fault of the citizens of Santiago as I should not have carried money in this careless way considering the crowd we were in.

The President's procession finally arrived, first a group of Mounted Police who cleared the crowd lining both sides of the road, several deep. Then came a troop of cavalry, then carriages with officials, ambassadors and others, then the President's carriage drawn by six beautifully matched greys, driven by postilions, with two men in uniform on the rear box of the carriage, which was much like the old style double carriage used in England. After the President followed more cavalry, then the tremendous crowd cheering and shouting, which concluded the show.

A number of grand stands had been erected at certain locations along the road the procession was to pass, and as some sections of these stands, which were not very substantially built, began to give way, this naturally added to the noise and excitement

*Friday,* while waiting for the President, but as far as we  
*20th Mar.* could learn no one was seriously hurt and no harm  
*Continued* was done.

In the evening we dined at the restaurant Santiago near our hotel and had an exceptionally good meal, one of the feature dishes being large broiled lobsters, which, we were told, came from Robinson Crusoe's Island, or Juan Fernandez, about 300 miles off the coast of Chile.

*Saturday,* As most of the members of our party were  
*21st Mar.* occupied in looking over the present banking facilities in Santiago, and considering the possibilities of adding to them by introducing the Royal Bank to this country, I took a taxi and drove up the hill known as the Park St. Lucia, situated about the centre of the city, and with an elevation of 200 or 300 feet. It is laid out as a park with flowers, trees, and flowering shrubs, while near the top, where a fine view of the city is obtained, is a restaurant and open dancing place, both very popular at night, well lighted and with a band two or three times a week. There is also a theatre where entertainments are given. At the highest point is a chapel, and throughout the park there are many religious and other statues. I then drove through the residential section and saw many fine houses, most of them having well-kept and luxuriant gardens. The roads throughout the city are largely new and of asphalt.

The next place of interest was the race track, which is, if anything, more elaborate than the one at Buenos Aires. The course, which must cover at least 100 acres, is completely enclosed by a concrete wall about 12 feet high, with handsome ornamental iron gates at intervals. The grand stands are of steel and concrete, very spacious and of first-class construction in every way. The paddock, stables, betting places and all other outbuildings

connected with a racing establishment are also of concrete. There are three tracks, one grass track and two earth tracks. The lawns in front of the three grand stands are laid out with flower beds, and the walks and roadways throughout the grounds are bordered with beds of flowers. The centre of the field is a well-kept grass lawn, and as the stands face towards the mountain, with the city of Santiago lying between them and the hills, the outlook from the track is most picturesque, far surpassing in beauty and attractiveness the track at Buenos Aires.

*Saturday,*  
*21st Mar.*  
*Continued*

After lunch we went by taxi to the parade ground to see the military review in connection with the reception to the President Alessandri. This parade ground is located in the park and is quite interesting, but the country being rainless, watering carts had sprinkled it all morning—I noticed them on my visit to the race track—but did not accomplish much except to make it a little better. We managed to get a good location, but Mr. McWilliams and Mr. Dymont, who had started earlier and secured a front position, hailed us and were good enough to give us accommodation in their motor.

There were about 5,000 troops, representing all branches of the service, and we were told that before our arrival a company of British tars from the cruiser "Constance," then in Valparaiso, had come up with their officers to pay their respects to the President, and, although they did not take part in this review, were located somewhere about the grounds as spectators. The march-past was led by the cadets from the Naval College and a number of sailors from the ships; after them the cadets from the Military Academy and a number of infantry regiments, each battalion halting in front of the President's stand, where he either addressed them or received from them the Oath of Allegiance. Then

*Saturday, 21st Mar.* followed horse artillery, ammunition train, telegraph and medical service, then more artillery drawn by motors, tank batteries and a number of other services. These were again followed by several troops of lancers, who passed us at the gallop and made a very fine showing, the Chilean being famous as a horseman.

*Continued*

When one of these troops was passing, the horse of a trooper bolted out of line and ran wild. The rider did his part most creditably, holding on to his lance and endeavouring to keep the horse from running through the crowd, but he finally broke into it on the far side of the field from where we were, and we saw the police carry a young girl to the ambulance, which had been immediately summoned, but did not learn the extent of her injuries.

This was the only unfortunate incident in a very successful review.

The Chilean Navy was organized and commanded in 1817 by Admiral Cochrane, whose family name is connected with Canada through Lord Dundonald, once Commander-in-Chief of the Canadian Forces, one of the heroes in the relief of Khartoum and Lady-smith, a grand-nephew of the Admiral.

The Admiral's career was an interesting and romantic one. He was Thomas Cochrane, tenth Earl of Dundonald, born on the 14th December, 1775. His life may fairly be described as checkered, but without a dull moment. Entered for both the infantry and the navy while still a boy, he chose the latter and went to sea on his uncle's ship the "Hind" in 1793. In 1800 he commanded the "Speedy," a small vessel with which he captured the Spanish frigate "El Gamo" (32) on the 6th May, 1801, "a feat of unparalleled audacity." From this time to 1814 he rose in rank, became a radical Member of the House of Commons, denounced the naval abuses, and was led into a flutter on the Stock Exchange in which his uncle and others were the chief speculators.

This unfortunately involved them all in a charge of fraud, which was tried before Lord Ellenborough and resulted in a judgment of guilty. The Admiral was expelled from Parliament and the Order of the Bath, but popular sympathy evidently accepted his protest of innocence and he was immediately re-elected for Westminster. He had, however, to serve one year's imprisonment, but, after escaping and being recaptured, he regained his liberty in 1815 on payment of a fine of £1,000 to which he had been sentenced.

*Saturday,  
21st Mar.  
Continued*

In 1817 the Chileans were in revolt against Spain and the Admiral accepted an invitation to take command of their naval forces, remaining until 1822 and contributing largely to their success. From 1823 to 1825 he helped to establish Dom Pedro I. in Brazil; from 1825 to 1828 he was fighting with the Greeks against the Turks, and in the latter year returned to England. He was restored to the Navy in 1832 and to his place on the Order of the Bath in 1847. In 1848 he was appointed to the command of the North American and West Indies station, which he retained until 1851. He inherited a taste for scientific invention from his father and in his leisure moments took out various patents. As early as 1843 he was an advocate of the employment of steam and the screw propeller in war-ships. He died in London, 30th of October, 1860, and was buried in Westminster Abbey.

Since this time the Chilean Navy has been trained and frequently officered by Britishers. The uniforms and even, I believe, the words of command are English, while in the Naval Academy and elsewhere are many statues to the heroes of the Revolution, including English and Irish heroes, soldiers of fortune who evidently found fighting for the welfare and independence of Chile to their liking.

Although the Navy adopts British uniforms and methods, the Army up to date has followed the Germans both in uniforms and methods of drill, but



Saturday,  
21st Mar.  
*Continued*

we were informed that it was under consideration to change this by adopting British methods and uniforms in both branches of the service so soon as the Government could see their way to buy new outfits for the Army.

Chile has a compulsory service, every man being obliged to serve a short term of a year or two in either the Army or Navy, and I am of opinion that this system has been beneficial to their physique. All citizens are obliged to join the Army as privates, unless they have obtained their commission through training in military schools. Men of position who do not wish to pursue a military career, and yet, if called on for service, desire to rank as officers, are allowed to join on the understanding that they will be promoted to non-commissioned officers just as soon as they pass the necessary examinations. During their term of obligatory service they can qualify for commissions, so that in event of being called for active service they would rank as officers and not as privates. This method of especially qualifying officers does not entail much if any additional service, the whole purpose being to obtain the right to serve as an officer rather than as a private in the event of there being any mobilization after the compulsory term of service.

In the evening we had tickets for a prize fight—boxing being now popular with the Chileans—but as the auditorium where the fight was to take place was in a neighbourhood not too inviting, and there were tales of holdups and even murders, we decided to sacrifice our ring seats rather than take any chances by going down to a neighbourhood of this kind at night.

Sunday,  
22nd Mar.

Weather still very warm. Sir Herbert, Mr. Neill, Mr. Duggan and I started for a walk, going up first to the Park St. Lucia, and after spending some time admiring the view, were returning down the hill

when we were met by a representative of Grace & Co., one of the largest trading firms in South America, who had called at the hotel to invite us for a drive. As the motor was small Mr. Duggan and I continued our walk. Sir Herbert and Mr. Neill went for the drive, which they said was a most entertaining and enjoyable one. Mr. Duggan and I visited the market and other parts of the town we had not seen, but on a warm morning the market in the hot sun did not look very inviting, although probably we were a little late in the day to see it at its best.

*Sunday,*  
*22nd Mar.*  
*Continued*

Although the Chileans are practically all Roman Catholics, they do not appear to be great churchgoers, and those who do go to church are principally the women. Many of the shops were open for business Sunday morning, although they generally closed for the day at 11 a.m., and on Sunday afternoon there appears to be more or less a general holiday, while in the evening the parks are filled with people enjoying themselves.

On Sunday morning, before leaving the hotel, we met Mr. Wm. Finley with his wife and daughter, who had reached Santiago from Valparaiso late the night before. They were taking practically the same tour as ourselves, but in the reverse way, having come down by the West Coast. I was glad to get some news from home from Mrs. Finley, who had left Montreal nearly three weeks later than we had, and this was the first news of any account we received since leaving Montreal.

We understand that the disagreement between President Alessandri and his Parliament, which led to his temporary absence from this country, was largely due to his advanced ideas and legislation in connection with labour, which made the employer responsible for pensions to his employees and also gave employees a number of privileges and benefits which, if carried out, may considerably upset the economic condition of the country and will certainly

*Sunday,* have the effect of discouraging the investment of  
*22nd Mar.* foreign capital. Another proposed law which we  
*Continued* were told was favoured by the President decrees the  
 separation of the Church from the State. Up to  
 date the Church has had considerable political  
 influence in Chile, and apparently Alessandri has  
 the idea that the Churchmen should not interfere  
 with the Civic or Federal Governments.

Sunday afternoon and evening were spent quietly.  
 We had an enjoyable dinner at the Restaurant Sant-  
 iago, where Sir Herbert had as guests, in addition  
 to ourselves, Mr. and Mrs. Strawn, of Chicago, and  
 their party.

*Monday,* Left Santiago at 8.15 a.m., arriving at Valparaiso  
*23rd Mar.* at 11.30 a.m. after a pleasant though warm ride  
 through a very fertile country, except where the  
 road went through certain foot-hills which are arid,  
 as are practically all the Andes hills. Through the  
 valleys of these foot-hills there were fields of corn,  
 alfalfa, wheat, oats, and extensive pastures, where  
 many well-fed cattle and horses were grazing.  
 On the lower slopes of the hills were many varieties  
 of fruits, mangoes, melons, pears, nectarines, peaches,  
 figs, oranges, lemons, pineapples, alligator pears,  
 plums, apricots, and a variety of luscious grapes.  
 Baskets containing all kinds of fruit were offered for  
 sale at low prices at all railway stations.

At Valparaiso we found comfortable quarters at  
 the Hotel Astur. This city has nearly 200,000  
 people and is, apparently, a very pleasant place to  
 live in, having an annual mean temperature of 59°F.  
 with an extreme of cold of 30°F. and 88°F. of heat.

The harbour on which the city fronts is backed  
 by a circle of hills with snow-capped peaks, part of  
 the Cordillera. The town itself consists of an upper  
 and lower section, the slope between the two being  
 terraced and covered in many places, wherever  
 building is possible, with picturesque dwellings. The

buildings until quite recently were all low and more or less poor in character, this city having been visited by several earthquakes and tidal waves, which did great damage. The town was almost destroyed by fire in 1858. The upper and lower towns are connected by a series of incline railways or elevators which run up the face of the cliff—about ten or twelve altogether—situated along the main streets of the lower town. In construction these incline railways are very similar to the one used in Quebec City.

*Monday,  
23rd Mar.  
Continued*

The upper section of the town is largely residential and much more modern than the lower part. The lower section, however, is being rapidly improved, streets widened and straightened and new and better class of building put up. The buildings on the side hills are generally surrounded by neat flowered gardens and frequently climbing roses cover the side of the cliff, making it picturesque and attractive. One of the household conveniences on the side hills appears to be hen-coops, as it is the custom here, as in other parts of tropical South America, to cook the fowl immediately after killing it, and the house-keepers at Valparaiso, instead of keeping a supply of chickens in the refrigerator, keep the live fowls on hand for cases of emergency. As my room at the hotel faced a number of these houses, there was a tremendous noise from these fowls about sunrise.

A fine crescent-shaped bay forms the harbour, which is being rapidly improved. New and modern piers have already been built, and the roadway along the sea-shore at one end of the harbour, where it was comparatively narrow, has been widened. The rock hills are cut in order to accomplish this, and all the material taken from the hills is thrown into the sea to protect the roadway. The citizens of Valparaiso are thus making a fine roadway, which, no doubt, in a few years will be one of the attractions of the port and city.

Monday,  
23rd Mar.  
*Continued*

There is under construction a large breakwater, of which 300 or 400 feet are already built and which, we understand, is to be extended out to about 1,200 or 1,500 feet, and when completed will make the harbour of Valparaiso fairly well protected. There were a number of ships in the harbour, including Chilean battleships, three cruisers and a small naval craft, besides the British cruiser "Constance," which had come down, as before stated, to pay the respects of the British Nation to the returned President. There were, of course, a number of mercantile steamers as well as several sailing craft.

The view of the harbour from the upper part of the town is picturesque and interesting.

In connection with the harbour improvements, seven large three-storey warehouses of reinforced concrete have been built for examining warehouses, where goods in course of transit can be stored.

The weather was cool and mostly cloudy, and an idea of the appearance of the land can be had when it is realized that there has been no rain in this locality for over eighteen months.

In looking over the town, a gentleman to whom we had been introduced by Mr. W. C. Finley, a Chilean, drove me through one of their city parks, which he was quite proud of. Although there were a certain number of pines and a few other trees, they looked very dusty and shopworn, while the grounds behind and the open spaces, used for playgrounds and athletics, were bare of grass or other green growth. My friend was quite enthusiastic at the appearance of the few green trees they had, and, of course, it was only natural that I should agree with him that it was a very beautiful spot; in spite of the fact that the next property adjoining the park was a deep gully evidently used as a dumping ground for rubbish and did not look altogether harmonious.

This condition of the public park made the gardens about the private residences, where a water



supply was obtainable for irrigation, look all the better, and there were some really very handsome and well-kept gardens. *Monday,*  
*23rd Mar.*  
*Continued*

We visited the Naval Academy and saw in the Museum a great many trophies of the victories of the Chilean Navy as well as a number of old arms and guns. The cadets we saw exercising were a very good-looking and apparently well-trained lot.

In the evening we had invitations to the Valparaiso Club, which is situated quite close to our hotel, and were told we would find there, if we wished, a good Casino, where those who so desired might try their luck, but only some of our party visited the Club, and did not find it particularly attractive.

Mr. Duggan and I invited two young ladies, Miss Strawn, of Chicago, and Miss Norton, of New York, to motor with us and see something more of the city of Valparaiso, particularly the suburb of Vina Del Mar, the principal residential part, 7 miles from the city proper, with which it is connected both by trolley and bus line. The motor road runs along the sea-shore, and is a very entertaining and interesting one as there are buildings and private residences practically all the way. This suburb has a population of between 35,000 and 40,000; its social season is the summer months, when a number of wealthy and distinguished visitors from Santiago as well as those living in Valparaiso occupy luxurious villas. There is an exclusive and elaborate clubhouse with a race-course near it, and some fine hotels, a sea promenade with good surf bathing, making this one of the principal and most attractive summer resorts on the West Coast of South America. The race track is not so large as those of Buenos Aires or Santiago, but is very picturesque, having more floral decorations than either of the other tracks. Two of our party, Mr. McWilliams and Mr. Dymont, had left Santiago on Sunday morning ahead of the *Tuesday,*  
*24th Mar.*

*Tuesday,* rest of the party, arriving in Valparaiso at noon,  
*24th Mar.* and had attended the races on Sunday afternoon.  
*Continued* They told us that they had not, for a long time,  
 seen such a well-dressed and attractive looking  
 crowd—particularly in the Members' Inclosure—as  
 they saw on Sunday afternoon at the track at Vina  
 Del Mar.

Valparaiso has a considerable English population,  
 and the local traditions and customs are so influenced  
 by the English people that at the race track all the  
 latest London styles of dress, both for men and  
 women, were much in evidence. They reported  
 the racing as good and altogether the meeting a very  
 creditable one, and as the weather here is cooler  
 and more temperate than either at Santiago or  
 Buenos Aires, they thoroughly enjoyed themselves.

At the Athletic Club, in addition to the club-house,  
 there are tennis courts, bowling alley, swimming pool,  
 shower baths, and all the other attractions of a high-  
 class club.

On our return we drove about the principal  
 parts of the city and did some shopping preparatory  
 to our departure on the ship the following day.

*Wednesday* We left our hotel about 11 a.m. and went aboard  
*25th Mar.* the "Essequibo," which was to sail, and did sail at  
 12.30 to-day. The weather was again fine, pleasantly  
 cool and bright.

Before leaving we had a visit from Mr. Eastman,  
 who represents the firm of Price Brothers of Quebec  
 in Chile, and to whom Mr. Arthur Price had been  
 good enough to give me a letter of introduction. Mr.  
 Eastman is connected by marriage with the Price  
 family, and gave us an interesting history of this  
 well-known Canadian family. The original member  
 of the Price family, David, came to Canada to buy  
 masts for the British Admiralty's ships, afterwards  
 becoming interested in the lumber trade; two other  
 brothers went to South America. Mr. Eastman

had a number of photographs of the three brothers who came out to America—one going to Quebec and taking up the lumber business, another to Brazil, and the third to Chile, where he became interested in mining enterprises. This third brother, whose name was Henry, was married in Chile to an English lady whom he met shortly after his arrival. The late Sir William and his two brothers, Harry and Arthur, were their children, all born in Chile. Later on, Mr. Henry Price removed with his family to Quebec, where he joined his brother, the late Hon. Senator David Price, in organizing the firm of Price Brothers, whose extensive lumber operations are so well known. It would appear that the brother who went to Brazil accumulated a large fortune, which he left to his brothers in Quebec. At about the time of his death the Canadian lumber industry was in a not too prosperous condition, suffering one of those slumps which occur in all great industries from time to time, but with the aid of this inheritance the Quebec firm was able not only to pass successfully through this period of hard times, but to establish the business in a way that has made the family prominent in all large financial dealings in Canada.

*Wednesday*  
*25th Mar.*  
*Continued*

On board the "Essequibo," going up the West Coast, which is uninteresting, consisting in a range of low, barren hills banked up by other higher hills, which, in turn, lead to the great peaks of the Andes still farther back.

*Thursday,*  
*26th Mar.*

We arrived at the port of Antofagasta at 7 a.m. Antofagasta is the capital city of the province of the same name and is, approximately, 640 miles north of Valparaiso. This city is connected by railway with Santiago and claims a population of 50,000. It is said to be one of the cleanest and best-kept cities in Chile. Our observation confirmed this, and the city authorities appear to live up to their

*Friday,*  
*27th Mar.*

Friday,  
27th Mar.  
*Continued*

reputation, as the streets are well kept, well paved and very clean. The present Mayor of Antofagasta has been in office for 19 years and is likely to remain as long as he is willing to undertake his civic duties, as he is personally and primarily responsible for the good roads and the cleanliness of the city. We were told that when he first took the office of Chief Magistrate the city was in a disgracefully dirty condition, the roads badly kept, and altogether Antofagasta was a filthy place. The improvements made through his efforts to keep the city clean and bright are so fully appreciated by the citizens that they are willing to retain him in office just as long as he wishes to stay. This example might, with profit, be taken to heart by some of the chief magistrates of our Canadian cities, and if they would apply themselves to useful work of this character the citizens would, no doubt, be appreciative, and their



GROUP ON BOARD THE "ESSEQUIBO"

term of office become more permanent than at present or than they can hope to make it by other methods. *Friday, 27th Mar.*

There are some fine public gardens, very well kept, the principal one about half a mile long running as a sort of boulevard through the parada or wide street in the town and containing a great variety of flowering shrubs and plants, all grown, of course, by irrigation. The water supply for the city comes from San Pedro, 190 miles away, at which point there is a large reservoir located nearly 10,000 feet above the level of the city. *Continued*

This town is one of the important mining centres in South America, and our ship—which anchored out in the harbour and took its cargo from lighters, brought alongside—loaded, amongst other freight, 1,000 tons of pure copper in bars or pigs weighing 200 pounds each.

From Antofagasta the railway runs to Calama, attaining an altitude of 7,400 feet, where the Chile Exploration Company is located, said to be one of the largest copper-producing companies in the world. One of the peculiar conditions of this copper production is that the mines are of very low grade ore, running from 2% to 4%, but as the ore is surface-mined, easily worked and in great quantities, the Company is able to make a profitable return on account of the large volume of ore handled daily.

The railway line from Antofagasta operates by through trains to Bolivia, attaining an altitude of 13,000 feet and connecting this city with the historical town of La Paz.

There are several fine drives along the sea-shore, and also a very well arranged and extensive bathing beach organized and run by the municipality. The harbour was filled with bird life, thousands of gulls, pelicans, cormorants and various kinds of sea-ducks, and wherever the shore extended out in a rocky point or where there was a small islet the rocks appeared to be swarming with birds.



Friday,  
27th Mar.  
*Continued*

We also saw a number of seals and other sea mammals swimming about the harbour, both the birds and the seals being protected by game laws.

This great bird life is unquestionably attracted by the plentiful supply of fish in the ocean, due to the cold Humboldt current on this coast, and we observed large flocks of birds evidently following shoals of fish. They would dive into the sea and bring out fish, much to the amusement and instruction of the passengers.

Along this coast there is an antarctic current known as the Humboldt current, which runs practically up to Panama. Even at the season of our visit, when we had exceptionally fine, warm weather, being the early fall, both the water and the air were quite cool. We were informed that later in the season, in July and August, the sea water is exceptionally cool, even in the vicinity of the equator.

Many of our fellow-passengers were interested in purchasing vicuna rugs. Some claimed to have obtained bargains, but our own party did not interest themselves much, as while the price was low, the quality was not as good as we had seen elsewhere.

The ship being anchored in the harbour, communication with the shore was by small boats and motor launches, and although it is claimed that on this coast heavy wind storms or high seas are rare, it was evident that the storms farther out frequently cause a heavy swell in the harbour, a condition which entails some activity on the part of passengers embarking and disembarking from launches at the foot of the gangway steps. The swell would lift the launch several feet, and you had to take your chances in making a proper landing.

We left Antofagasta at 3 p.m., and had a pleasant sail that afternoon on a quiet sea with the coast line only a few miles away, but of the same character all along--bare hills, brown in colour and looking very desolate.

Arrived at Iquique at 8.30 a.m. This is an open *Saturday,*  
 port, but with more shelter than at Antofagasta. *28th Mar.*  
 The ship, as in the former port—in fact, at all ports  
 along this coast—was loaded from lighters, and  
 transportation to and from the shore is made in  
 launches or boats. At this port we took on 1,500  
 tons of nitrate. This was packed in jute bags  
 weighing about 150 lbs. each, and has very much  
 the appearance of coarse salt.

The harbour is filled with great flocks of gulls,  
 cormorants, pelicans and other sea birds. In addi-  
 tion to our ship there were several other steamers all  
 loading nitrate, also a Chilean Government cruiser.

Iquique is the principal port of Northern Chile  
 and claims a population of 40,000. It is lit by  
 electricity, and although not as clean and well-kept  
 as Antofagasta is a fairly respectable town.

There is a system of small tram cars run by  
 gasoline motors, and we noticed that even though the  
 town is comparatively small and the business for  
 tram cars cannot be very heavy, there is up-to-date  
 competition from an opposition motor bus line.  
 This town has been partly destroyed by earthquakes  
 on two or three occasions in the last 50 years, which  
 probably accounts for the poor character of the  
 buildings, most of them being low and cheap in  
 construction. There are, however, two or three  
 quite respectable bank buildings and some depart-  
 mental stores, all of reinforced concrete and much  
 better than the average building, which is generally  
 of wood or rough cast. There is an English colony  
 and an English Club. The latter building, from its  
 appearance, is quite up to date, although not very  
 elaborate, but no doubt run to the satisfaction of its  
 members.

In the bookstores there was a good selection of  
 English books and magazines, and apparently the  
 town owes a good deal of its importance to its  
 proximity to the nitrate mines, which have been for

Saturday,  
28th Mar.

*Continued*

many years, and are still largely operated by British capital and British engineers. There is quite an extensive public market as well as many fruit shops and private butcher stalls throughout the town, but as the goods were exposed for sale without any special covering and the weather hot—with a generous supply of flies—these provision stores and the market did not look very attractive.

The climate is pleasant though rainless. The mountains at the back of the town as well as the land round about the town give the impression of great dust heaps. The nitrate fields are about 100 miles in the interior up in the hills. This district is a large revenue producer to the Government of Chile, which collects a tax of nearly 30% of the selling price of all nitrate exported from the country. There is the usual civic garden laid out alongside the sea-wall where there is a promenade and driveway, and although not very extensive, probably about half a mile in length, it is the best-kept part of the town, clean and comparatively cool. From here there is a



THE PLAZA AT IQUIQUE

good view of the sea and harbour, so that the citizens of Iquique have, at least, a pleasure spot in which to spend their evenings. There are both infantry and cavalry barracks in this city and a small garrison is located here, as the town forms part of the territory adjacent to that taken from Peru in the last war. The barrack grounds are decorated with guns of various sizes, war trophies from their differences with Peru.

*Saturday,  
28th Mar.  
Continued*

From the ship we could see the line of railway zigzagging up the side of the mountain, as there is really nothing to prevent a good view of any construction of this character, the hillsides being absolutely bare.

We left Iquique at 6 p.m. for Arica.

*Sunday,  
29th Mar.*

Arrived at Arica at 7 a.m. and found that arrangements had already been made for a trip to Tacna, one of the oldest towns of Chile, and now on the frontier, having been taken from Peru in the war of 1878. It will be remembered that this is the town and territory of which President Coolidge recently decided the nationality by his judgment as arbitrator in the boundary dispute between Peru and Chile. The Peruvians are not at all satisfied with this judgment as they consider it unduly favourable to the Chileans, but as the Chileans are in possession of the territory and admittedly have a much stronger and better equipped army than Peru, President Coolidge's award is likely to stand, at least, in the meantime.

We landed about 9.30 a.m. and started for Tacna at 10.15. The railway track was built for steam locomotion, but the company has built a few motor buses which accommodate from 9 to 20 passengers and run on the rails. These cars are built locally and in appearance are not unlike a small freight car with windows or an old-fashioned passenger coach. The distance from Arica to Tacna is 60 kilometres or about 40 miles, and the right-of-way runs up grade

*Sunday,  
29th Mar.*

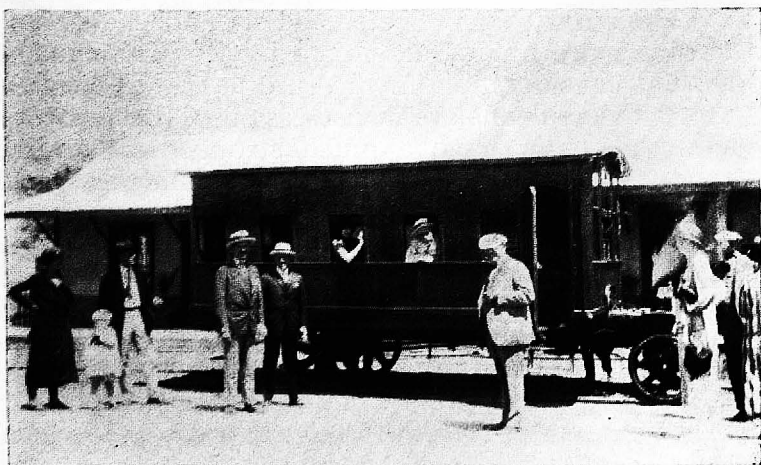
*Continued*

the whole distance, attaining an elevation of over 1,700 feet. The territory traversed is an absolute desert, with nothing but hard-baked clay or sand and small boulders along the whole route. We saw in the distance the snow-capped mountains of the Andes, the hills going up from the coast in series, getting higher as they rise farther back. Also along the route we saw several mirages, the valleys having the appearance of lakes of water, but when we got nearer we found nothing but the desert.

We arrived at Tacna at noon after a not unpleasant but quite uninteresting trip, there being absolutely nothing to see beyond the desert outlook.

Tacna has a good water supply and is one of the oldest towns in Chile, typically Spanish in its layout and construction, the streets very narrow and paved with rough cobble stone. The houses are of the usual rough cast of white, blue, yellow and other colours.

The whole town is fairly clean, and through the centre of it, as is the custom in these Spanish towns, there is the usual avenida with rows of palms bor-



RAILWAY FROM ARICA TO TACNA



dering each side of the road, and a number of flower gardens, walks, band-stands and other furnishings which go to make these parks. The Cathedral, or rather the larger church, appeared to have been destroyed either by fire or war, and the ruins showed that it was very old, the towers and walls being left, but the roof and interior wrecked. There were three buses altogether for the passengers from the ship who accompanied us. As we were in the first car, we started to look for the hotel where we were to lunch as soon as we reached the town. Unfortunately we were directed by a fellow-passenger to another hotel he thought better. This enabled us to see a great part of the town. On reaching this select hostelry we were informed that the accommodation was limited and already spoken for, but later located the Hotel Ratter, where a substantial meal was obtained. This hotel was evidently considered a fairly good one in Chile, but apart from the newer hotels in the larger cities the accommodation offered by these hotels is not very inviting.

After lunch we made a further inspection of the town and then returned to the railway station, where we were fortunate in meeting the Manager of the Railway, Mr. Heath Robinson, who is also the British Consul at this point. He invited us to inspect his garden, which is situated directly opposite the railway station. Here Mr. Robinson has demonstrated the great fertility of the soil in this district when water is available, as his garden is quite a wonderful one, with a great variety of grapes, figs, pears, quinces and many other fruits as well as a large collection of flowering plants. We were invited to help ourselves, and most of the party did so, and enjoyed Mr. Robinson's hospitality, for which we were very grateful. He also urged us to take a supply for the journey home—which started at 4 p.m., arriving at Arica a little before 6 p.m., when we re-embarked on the ship, which sailed shortly after.

*Sunday.*  
*29th Mar.*  
*Continued*

*Monday,* Arrived at Mollendo at 6.30 a.m. This port is  
*30th Mar.* an open roadstead with the usual heavy swell. There is a fine surf, the shore is rocky and bold, with high cliffs, except in a fine bay with sandy beach to the south of the town which has been appropriated by the municipality as a public bathing beach. The shore as usual is barren and rocky and runs up fairly abruptly from the sea to high hills, many of which are covered with a white substance which we were told was volcanic ash, and many of the rocks along the shore itself were also white, mostly due to the great number of birds that nest on them.

We went ashore at 10.30, the heavy swell making the disembarking from the ship to the motor launch quite an athletic feat, requiring some activity.

The water in this harbour is very deep, which, in part, accounts for the unusual heavy swell, and although our ship was fairly close to shore the officer advised us we were anchored in 40 fathoms, or 240 feet of water, and that a short distance farther



MOLLEND0, PERU

out soundings were unobtainable. Mr. Sinclair, *Monday, 30th Mar.*  
 Agent of the Royal Mail Line, who had come on board, was kind enough to invite Mr. Duggan, *Continued*  
 Mr. Pineo, other fellow-passengers and myself to accompany him ashore in his launch. On reaching shore there was a dock sheltered by a stone break-water—the pier itself a stone wall about 20 feet high—where we were lifted up from the launch to the pier by a steam crane which operated a large arm-chair hung with ropes. I was given the seat of honour in the chair while two other members of the party stood one on each side, their feet on the lower rungs of the chair, while they hung on by the ropes strung from the four corners. This method of landing, although quite novel, was very comfortable, and after trying it once we were satisfied it was a very up-to-date method of landing passengers on to a high dock. We could imagine the fate of an unfortunate passenger who was unpopular with the man running the hoisting engine, as it would be very easy to accidentally drop him into the sea instead of into the launch.

We looked over the town, which is characteristically Spanish in construction, and as it is built on a hillside, the streets are steep as well as dirty and badly kept. There is, of course, the plaza with public gardens, this part of the town being, as usual, very creditable. Some of our fellow-passengers tried the bathing beach, but we were satisfied to view it from a distance, although it certainly looked quite inviting with a magnificent surf coming in.

Here again there was a hunt for vicuna skins and other furs which were offered in fair numbers at reasonable prices—a good sized rug costing from \$35 to \$50 in gold. As a spectator with some of these purchasing parties I noticed a saleswoman offer what looked like a very attractive alpaca rug for £10, the Peruvian pound being worth about \$4.10. As we shook our heads she asked if we would make

Monday,  
30th Mar.

*Continued*

an offer, and, unfortunately, I spoke out of turn and offered £6, about half the price. The rug was packed up and handed to me so quickly I began to get suspicious that it was not a bargain even at that price.

We visited the public market and other buildings of interest, seeing in the market a number of uncommon and curious fish, but the whole appearance was not particularly inviting.

We were stopped at the Customs House gate, at the boat-landing, as one of our party had purchased a vicuna rug, and we were told the exportation of this particular fur was now prohibited as it was becoming rare, and there was considerable trouble before a proper release could be obtained. The rugs had, first of all, to bear the Government stamp, and then the people who had made the sale were obliged to come and show the Customs officers that they were satisfied with the prices obtained. Adjustments were finally made, and a number of passengers were greatly relieved to be able to bring their purchases on to the ship.



MOLLENDO, PERU

We left Mollendo at 2.30 p.m., the weather fine *Monday,*  
 and warm with a pleasantly cool breeze. This *30th Mar.*  
 territory, like the whole of the West Coast, never *Continued*  
 gets any rain, but has a tolerably good climate on  
 account of the cool water of the ocean.

The cargo taken on here consisted of 700 bales of  
 merino wool, which, I understand, comes from Bolivia,  
 which country has no seaport, and Mollendo is one of  
 the ports used for exporting goods produced in this  
 country.

The aquatic birds here were not so numerous as  
 at the last two ports, but there were enough of them  
 on all the rocky points, small islands, old lighters and  
 anything else they could rest on, to make a rather  
 unpleasant odour pervade the whole harbour.

The population of this town is about 6,000.  
 Those we saw on the streets were decidedly of the  
 Inca Indian type, neither handsome nor too clean,  
 bearing the trade mark of a country where there is a  
 great scarcity of water.

The shore line continued very much the same as  
 during the last three days of our trip. We saw a  
 number of seals, which apparently are quite plentiful  
 all along the coast, and were told that at other seasons  
 of the year we would probably have seen a great  
 many whales and other marine animals.

The people in Mollendo are practically all Roman  
 Catholics, as was quite noticeable from the number of  
 churches and the priests seen on the streets. We  
 also saw a great many beggars, some looking very  
 poor and miserable. The churches themselves,  
 although quite large, are not kept up, and do not  
 specially interest the tourists.

We were going along the coast all day with pretty *Tuesday,*  
 much the same weather as we had for the last few *31st Mar.*  
 days, and although getting nearer the equator all  
 the time we have not yet had any unpleasantly warm  
 weather.



*Wednesday*      We reached Callao in the early morning, and  
*1st April*      having entered Peru, the usual medical examination was made at 7 a.m., and the Doctor cleared the ship before breakfast, so that we were able to go ashore at 9.15, the usual method, as in other ports, being by launch or small boat. At this port there were a number of both sailing and steam vessels lying in the harbour, which is one of the finest on the Pacific coast, covering an area of over 250 acres. The population of Callao is over 50,000, and it has always been a fairly busy port. The harbour is protected by the Island of San Lorenzo and some smaller islands. Some of these islands owe their existence to earthquakes in the 16th century, as the character of the shore line was considerably changed owing to the severe upheavals at that period.

There had been quite a heavy rainfall in this district within a few weeks of our visit; the first rainfall for the past 35 years. When the rain came it was such an extraordinary sight to many of the inhabitants, who had never seen anything of this character before, that it almost caused a panic, as well as a tremendous monetary loss, with which the Government was struggling at the time of our visit. Owing to the long period of drought nearly all the roofs of the houses began to leak when the rain came, and many of the foundations were washed out and other damage done. In addition to this the rivers and streams in the more mountainous parts of the country became so swollen as to wash out the right-of-way of the railway in several places, completely destroying as much as five miles in a stretch, and making it necessary to relay the track before it can be again operated.

We heard here of an insurance case of some interest. Two lighters were loaded with bags of sugar to be taken out to a ship as cargo. After the rainfall, the barges, instead of being laden with sugar, were filled with syrup and sugar bags. A claim

was made under the insurance policy, but this was disputed on the ground that the shippers had not taken reasonable precaution by covering this cargo with tarpaulins to protect it from the rain. In reply to this the shippers claimed that as there had been no rain for 35 years they had no tarpaulins, nor had it been customary to protect cargo against rain, which they claimed to be an insurer's risk. Of course we have not heard how this matter was settled.

*Wednesday  
1st April  
Continued*

In Lima there was a strike on the tramways, but when the rain came the strikers evidently considered it a judgment of God and immediately went back to work. The power plants had been flooded and in some cases the dams had been put out of commission, so that the city of Lima, which we visited, had been without electric light for some time, and was likely to be in this condition for some weeks until matters were straightened out again.

Landing at the dock at Callao, we took motors and drove to Lima, eight miles over a very good concrete motor road built by the Foundation Company. This Company has also done a lot of work in rebuilding the streets in Lima, making good asphalt roads instead of the old cobble stone roads which were the rule in this city three or four years ago when some of the party had visited it. The effect is to give the city a much cleaner and more up-to-date appearance, and the citizens evidently take a great deal more pride now in keeping the city in good shape than they did under the old regime of dirty and ill-kept streets.

Along the road between Callao and Lima we saw many fertile fields of sugar, cotton, corn and good pastures filled with cattle and horses. All this territory is made fertile by irrigation, the water being brought from the river which flows through Lima and has its origin in the glaciers of the Andes some miles back.

Wednesday

1st April

Continued

The road cuts through a hill, and when it was made this proved to be an ancient Inca burying-ground with remains of a temple. The burying-grounds of the Incas were apparently much the same as the old Spanish burying-grounds, as there was ample evidence that this one had been surrounded by a solid wall. The walls were built of clay bricks similar to those seen in abundance all through this country. Along the roadside and in the side of the cut were many human bones and skulls, some of them in a very good state of preservation, the skulls covered in some cases with long black hair. This unusual state of preservation is presumably due to the very dry condition of the atmosphere. The whole character of the ruins indicates that some centuries before the arrival of the Spaniards the people who lived here had at least a reasonably high idea of civilization and certainly took care of their dead.

We were told that when these graves were opened the bodies were found in a sitting posture with the knees up and the arms encircling them, the hands clasped in front and the head resting on them. This evidently being the position in which these dead were buried.

Lima claims a population of 220,000 and is quite a good-looking city, one of the oldest in South America, having been founded by Pizarro in 1535. The founder's bones are still preserved in an elaborate tomb or chapel in the Cathedral, but although we were invited to visit it we did not avail ourselves of this opportunity.

A new and modern hotel has been built which is not quite completed. We had lunch there with Mr. Macdonell, the Manager of the Royal Bank, who had invited a number of prominent citizens to meet our party. The hotel is very creditable, and so much better than the other buildings in the city that it looks almost out of place, but the citizens hope it will attract tourists and bring business to the city.

The guests at luncheon, who were residents of Lima, impressed us very much. They represented large British and American industries and had the appearance of substantial businessmen with names representing firms high in the commercial world.

*Wednesday  
1st April  
Continued*

The Royal Bank building at Lima is an inheritance from the American Mercantile Bank of Peru, whose banking business the Royal acquired, and although it is a fairly convenient one, the location is not all that could be desired and will probably be changed within a short time. The building is somewhat of a novelty. It had been a private residence with a large patio or court in the centre, and had been converted into a bank building by roofing over this patio and introducing a large coloured glass skylight, which made a very attractive large banking room. The cages for the various tellers, ledger-keepers and other officers were built around the old patio.

The judgment in the boundary arbitration between Chile and Peru had only been rendered within a month of our visit, President Coolidge of the United States being the sole arbiter. His judgment, however, did not please the Peruvians, and as the sign on the building occupied by the Royal Bank was still that of their predecessors—the American Banking Company—it led to a demonstration and riot, the windows of the Bank being broken and the sign torn down. The fact that the proprietorship of the Banking Company and premises had changed hands did not, apparently, appeal to the mob. This feeling was, we were advised, quieting down gradually, and just as soon as the law would permit the Royal Bank to put their own sign on the building, they expected that a lot of new business already promised would immediately result.

Lima is connected by boulevards, having good motor roads, with Miraflores and Magdalena, two suburbs at each side of the city where the best private

*Wednesday* residences are located. We had not time to visit  
*1st April* them, but were assured we would form a favourable  
*Continued* opinion of the life and culture of this city if we  
 could visit these two suburbs.

Our time until 3.30 was spent looking over the shopping district, the Cathedral and other parts of the city. The shops were quite attractive but did not offer any special novelties characteristic of the country.

In the interior of the Cathedral there are some very fine examples of wood-carving, while many of the altars are overlaid with gold and adorned with gold and silver ornaments all produced by native labour. The churches of this country have not suffered despoliation owing to revolutions as have those of Mexico and some of the South American countries, so there is quite a lot of wealth displayed in the decoration of the principal churches.

The squares and plazas are of the old Spanish type and there are many houses with carved doors and balconies, which give the city a picturesque appearance reminiscent of the older cities in Spain.



THE CATHEDRAL AND PLAZA, LIMA



The city is situated on the Rio Rinac, 110 miles from the Cerro de Pasco and 600 miles from Cuzco. The mean temperature throughout the year is 66°F. and the altitude 500 feet.

*Wednesday  
1st April  
Continued*

We had an entertaining interview with Mr. Kingsmill, Manager of the Cerro de Pasco Copper Corporation, which has a capital of £6,000,000. He is a Canadian from Toronto. The mine Mr. Kingsmill manages is one of the largest producers of silver and copper in the world, as well as a considerable quantity of gold, and when certain additions to the plant now being installed are completed, will produce lead and other by-products.

Mr. Kingsmill gave us a lot of information as to local conditions, and was very decided in his praise of President Auguste B. Legina, who, he assured us, was a man of high character and considerable ability. It is President Legina's idea to put Peru on a proper financial basis, and as he is, in reality, the Government, there is no doubt that within a short time Peru will be heard from to its advantage.

One of the problems the Government and President of Peru were facing at the time of our visit was the loss caused by the heavy rains. As this rain-storm was quite unexpected, very considerable damage had been done, not only to private property, but also to Government property, and the President was busy trying to straighten out this situation.

Peru produces over 350,000 tons of sugar and large quantities of high-grade wool, as well as a considerable quantity of cotton. In addition to this there are a number of other agricultural products, including wild rubber, cotton-seed oil, tobacco, cocoa and tropical fruits and hides. In 1922 Peru shipped over 2,000 tons of goat and kid skins to glove manufacturers.

We did not find that the prices in the retail stores were as favourable in Lima as in Chile and other countries throughout South America. This

*Wednesday* was partly due to the exchange being in a more  
*1st April* healthy condition, but at the time of our visit the  
*Continued* washouts due to the heavy rain referred to had  
interfered with railway transportation, and as the  
food supplies for Lima come, in many cases, a con-  
siderable distance—irrigation being more plentiful  
in the hills than on the plains near the coast—the  
prices of all farm commodities had gone up to such  
an extent that eggs were selling at 16c. each, gold.  
This, naturally, was more or less a famine condition  
and did not indicate the usual prices.

We left Lima by motor at 3.45, reaching the ship  
about 4.30, and weighed anchor, leaving Callao at  
5 p.m.

*Thursday,* Arrived at Salaverry early this morning and went  
*2nd April* ashore to look about the town, a small one with a  
population of 3,000, its importance due to its con-  
nection by rail with Trujillo, where there are import-  
ant mining and smelting works. There is also a  
certain amount of agricultural export from this port.  
The town itself is similar to most South American  
west coast towns, Spanish in its character with  
the usual plaza or public square, and driveway  
along the sea. The buildings are poor, largely  
due to the possibility that earthquakes may destroy  
them at any time.

After an hour or two ashore we returned to the  
ship, which, in the meantime, had been discharging  
and taking on cargo. We then sailed at 1 p.m.

*Friday,* We next stopped at Paita, the most northern  
*3rd April* port of Peru, with a population of about 3,500 and  
doing a considerable business as a port of export for  
a large territory east of it.

As there was nothing of special interest to be seen,  
we were advised not to go ashore, as the ship would  
likely be only a few hours at this port. A number of  
passengers, tourists and others, came on at this point.

Although the ship had only about 12 bales of cargo to land, we were surprised when a large tug arrived with some 40 stevedores all wearing their regulation badge. We were told that it was the law that, even when a ship has little or no cargo to discharge, they must take on the full complement of stevedores provided by law. The 12 bales landed from our steamer were unloaded by piecework at the rate of about 5c. or 10c. a bale, so that the total divided amongst the gang would not mean very much to each one, and it did seem that it might have been better to have let one or two men do the unloading and get something for it.

*Friday,  
3rd April  
Continued*

Although we did not land, a number of traders came out. The principal merchandise was Panama hats, and quite a number of these famous headgears were purchased by our fellow-passengers and ourselves at varying prices, some very cheap and others at prices higher perhaps than the salespeople expected to receive; however, we were satisfied, and on the whole believe we made good bargains.

We left Paita at one o'clock, having to obtain proper health clearance from the port doctor—who was, unfortunately, laid up on shore—as our next stop was to be in the Panama Canal zone.

*Saturday,  
4th April*

The weather was fine and quite cool, considering our proximity at this time to the equator, but as the swimming tank had been put into commission we were able to have some fun and exercise. The weather continued fine and pleasantly cool. We crossed the equator about 11 a.m., but there were no special ceremonies similar to those on the "Voltaire" on our southern bound voyage. The reason given by the Captain was that although formerly it was the practice to celebrate in due and ancient form the crossing of the line, some citizens of the United States, who had been passengers and rather roughly treated on one of these occasions, had com-

*Saturday.*      plained to the company and threatened lawsuits  
*4th April*      for assault, so that the company and officers thought  
*Continued*      it would be better to forgo these frivolities. They  
                      claimed, however, that the ship was a law unto  
                      itself, and that the custom of King Neptune coming  
                      aboard and holding court was one that could not be  
                      interfered with by the courts of any country.

                     In order to make some celebration of crossing the  
                      line, some of the lady passengers organized a fancy  
                      dress ball. The proposal was made with very little  
                      notice, so that many of the passengers did not feel  
                      they would have time to participate in fancy dress.  
                      A number of others, however, did so, and the party  
                      was voted a great success, and although the costumes  
                      were gotten up in a hurry, some of them were very  
                      well done and afforded a great deal of amusement  
                      to the passengers generally.

*Sunday.*      The Captain and Purser conducted the usual  
*5th April*      Church service at 10.45 a.m. Earlier in the morning  
                      a service had been held by a Chilean Catholic  
                      Bishop, a fellow-passenger who, we understood, was  
                      being transferred as Archbishop in Equador. He  
                      was a big, fine-looking man, and no doubt will make a  
                      success of his new charge.

*Monday.*      About 5.30 a.m. we were reminded that we had  
*6th April*      left the dry area and had again entered the region of  
                      rainstorms by a tremendous flash of lightning with  
                      heavy thunder. The thunder was so sharp and loud  
                      it seemed to shake the ship as though a big gun had  
                      been fired on deck. We afterwards learned that the  
                      lightning had actually struck the foremast of the  
                      ship, but did no damage except to the top, which  
                      was made of wood; the balance of the mast being  
                      steel, conducted the lightning in due course into the sea  
                      without doing any material damage except to the  
                      compasses, which, I understand, were put out several  
                      degrees. Following the thunder and lightning there

was a heavy rain, but it did not last long and we had a fine day with but occasional showers. *Monday,*  
*6th April*

*Continued*

We reached the Panama Canal early on Monday, the weather now being quite warm, as we had left the cool water of the Humboldt current. The Doctor came aboard from Balboa and cleared the ship about 8.30 a.m., when we proceeded to the first lock. We were fortunate in having, during the whole day, a strong and fairly cool headwind, so that the trip through the Canal, although generally very warm, was a tolerably cool one for us.

The Canal is 40 miles in length with six sets of locks altogether, each with two locks, one alongside the other, thus making a double or duplicate way. Entering as we did from the Pacific, the first two locks are at Miraflores, with an average lift of about 30 feet.

The next lock is at Pedro Miguel with a further lift of 30 feet, making a lift in the three locks of nearly 90 feet.

From the locks at Pedro Miguel the Canal runs through the Culebra Cut, nine miles in length between fairly high hills, most of the way through rock-cutting with a width of 300 feet at the bottom and probably 350 feet at the Canal surface.

The water over the sills in the locks is 41 feet, the minimum depth in the Canal. After passing through the Culebra Cut, the Canal widens out owing to the land having been flooded by the building of a dam at Gatun. This has created quite an extensive lake interspersed with a number of islands, which were the high points of the hills before the flooding of the land. The Canal was built in this way partly to take care of the water from the Rio Chagres which enters the Canal a little east of the Culebra Cut, and although a comparatively small stream under normal conditions, becomes a tremendous torrent during the rainy season. When the French engineers first started the survey of their projected sea-level canal, one of the problems was the



Monday,  
6th April  
*Continued*

tremendous rush of water that came down this river after heavy rains, a volume of current so great as to wash out all their engineering work. The Americans overcame this by building the dam and making a large artificial lake. The flooded area is 164 square miles with a depth in the deepest part of 90 feet, so that when the river becomes rampant and delivers a large quantity of water it is reasonably well taken care of by this expanse of lake, the overflow being regulated by flood gates at the dam at Gatun.

Passing through this lake section we reached the locks at Gatun, which in turn let us down 85 to 90 feet to the level of the Caribbean Sea. When the steamer enters the locks, it is controlled from the shore by a number of electric engines or mules, some of which operate the ropes for towing and others the ropes for holding the steamer back, and in this way the steamer is really guided by this shore power, thus preventing any possible accident to the gates, which might be caused by misinterpreted signals in the steamer's engine room. We saw in the Culebra Cut, even at this late date—the Canal has been in operation now for eight years—quite recent slides from the hills which bounded each side of the Canal, and it has been a constant source of expense and work for the management of the Canal, who keep dredging the clay and gravel that periodically shoves itself into the channel. The locks here also are in pairs, 12 in all, that is, 6 pairs, 1,000 feet in length and 110 feet in breadth with 40 feet of water on the sills.

The shore was rather disappointing, as it appeared to me to be dried up and not nearly as green or attractive as might be expected. This was afterwards explained to us as due to the fact that they had had no rain for four months, quite an exceptional condition in this Canal zone, where usually they have abundance of rain through the whole year.

We experienced delay at some of the locks owing to other vessels getting in just ahead of us,

but notwithstanding this we passed through the last lock at 5 p.m. and went down the river and docked at the pier at Colon a few minutes later. Along the whole length of the Canal and at the entrances both from the Pacific and the Caribbean there were evidences of fortifications constructed by the United States and there were military guards at every lock, as well as several large barracks, hospitals, officers' quarters and other military buildings, which indicate that quite a war establishment is maintained.

*Monday,  
6th April  
Continued*

Going ashore at Gatun, we were interested to note the improvement and growth of this city since 1912, the date of my last visit. The town is under two administrations and there is some confusion as to the dividing line, part of the town being under the control of the authorities of the Canal zone, and dry insofar as the sale of intoxicants is concerned; while the other half is under the control of the Republic of Panama, which has no dry laws. There are several large and inviting liquor stores in this latter section, so that those living in the dry part of the town have no trouble to obtain whatever they want, there being no apparent barrier between the two sections of the town.

Colon had a serious fire in 1915, so that some of the better class of buildings I remembered seeing on my last visit had disappeared. The buildings that had been put up to replace them were rather poor in character. There have been established a great many shops along the main front street which cater especially to the tourist trade, which has grown to be considerable in this district.

Many ships cruising to the West Indies and South America touch at this port. Most of the stores are kept by Hindus and Chinamen, and contain a large variety of Indian jewels, lace work, ivory, Japan lacquer work, Panama hats and other commodities of this kind. We made a few purchases, as did most of our fellow-passengers who came ashore,

Monday,  
6th April  
*Continued*

but whether the goods were as cheap as we thought they were was more than my limited knowledge of this character of merchandise allowed me to judge.

After inspecting the main business streets, which are not very numerous, we went to the Hotel Washington for dinner and found very good entertainment. This hotel is attractively situated on a point on the sea coast with a concrete seawall around the grounds. The house itself is of reinforced concrete, built by the authorities of the Panama Canal zone for the United States Government. The hotel is a pleasant place to stop, but as the accommodation is somewhat limited, it would be well to make reservation in advance if anyone proposed to stop at this point for any length of time.

We returned to the "Essequibo" at 10.30 p.m., the weather still fine and warm, and found that the ship was about as warm as any place we had struck. About 11 p.m., however, we got under way, and once outside the harbour it became pleasantly cool.

April 7th  
to 9th

Tuesday, Wednesday and Thursday we enjoyed ourselves as best we could with pleasant weather, a smooth sea and the regular ship life.

Friday,  
10th April

We reached Havana early. The ship anchored outside the harbour, and had to wait until it was daylight to obtain clearance from the Doctor before entering the harbour proper. The Doctor made inspection at 7 a.m., and after breakfast we were welcomed by several officers of the Royal Bank staff who had come aboard to meet Sir Herbert and Mr. Neill and had with them a very good motor launch to take us ashore. As it was Good Friday, the shops, banks and public buildings were closed, and on many of them as well as on the ships in the harbour flags were flying at half-mast to commemorate the day. I have never seen this practice followed in any other part of the world.

We went ashore at 8.30 and drove first to the chief offices of the Royal Bank in Havana. This is a large and handsome building which the President and General Manager are very proud of. Being a holiday, we did not see it to advantage, for although the public banking room is a very large and commodious one, I was told that on regular business days it is so crowded with customers that it looks more like a bazaar or stock exchange than a regular bank.

*Friday,  
10th April  
Continued*

The business of the Royal Bank in Havana has grown so much that, in addition to this main banking office, 13 branches have been established and the Bank has now over 1,600 employees in this city. Branches have been established in many other parts of the island with a total number of employees of over 2,500 in Cuba.

We were impressed by the type of the Bank's officers we met, and it is easy to understand how the Royal Bank has been able to extend the business in South America when they have a training ground like Cuba to which are sent selected men who learn not only the Spanish language, but also the characteristics and peculiarities of the people of these countries whose ways and outlook are different from our own.

Not only in Cuba, but also in South America members of the staff appeared to have the utmost goodwill towards and co-operation with one another and the greatest loyalty to the Bank.

Recently, in addition to the staff house established some years ago, and more than once enlarged to accommodate the growing staff, the Royal Bank has established the Royal Bank Club situated on the parada facing the sea, intended as a social club for the employees of the Bank. We were told that although this institution is quite recently established, it has already become very popular with the officers and staff.

Friday,

10th April

Continued

After inspecting the main bank building—which has some attractive features in the planning, the officers' rooms being on the upper floors, and the whole building arranged with the idea of good ventilation to make the offices as cool as possible—we left Sir Herbert and Mr. Neill to attend to bank business with their local officials, while Mr. Duggan and I, under the guidance of Mr. Arozarena and Mr. Ariosa, took a motor and were shown places of interest about the city. Amongst the new buildings pointed out to us was that of the National City Bank of New York, which is just completing large and elaborate new banking premises.

After exhausting most of the principal streets and calling at one or two of the city clubs which are quite pretentious in their layout and furnishings, we drove to the Yacht Club, situated at the south-west end of the city. This is a new club-house and quite a wonderful place, the last word, I would judge, in yacht club-houses. The building is of reinforced concrete and fireproof, built with a large balcony on the front facing the sea, used as a restaurant and dining-room in fine weather, while there are, of course, indoor dining-rooms, billiard-rooms, tennis courts, shower baths, a number of bedrooms for members, fencing-rooms, bowling alley, with a bar-room on practically every floor. There is also a large assembly or ball-room on the level with the balcony promenade, and we were told that large assemblies are held here frequently during the season. From the balcony there is a fine view of the sea and the private dock belonging to the club. We were furnished with bathing suits and enjoyed a very refreshing and comfortable swim in the ocean. The temperature of the water was about as pleasant as one could wish for, probably in the neighbourhood of 60°, and wonderfully clear. Looking at the sea from the balcony, the combination of colours is very attractive and artistic. After our swim we



were introduced to the national drink of Cuba, the bacardi cocktail, and found it quite acceptable. We then took a drive in the environment of the Yacht Club, where there is a new residential development after the style of Garden City and some other places, a sort of park system developed on broad avenues fronting the lots offered for sale, many of which have already been sold and on which some handsome residences have already been erected.

*Friday,  
10th April  
Continued*

Going through this suburb we came to the Country Club, where the Golf Links are located, arriving here shortly after noon, as we had been invited by Sir Herbert to lunch with him at this Club.

On our arrival we found we were not the only guests, as a number of our fellow-passengers from the S.S. "Essequibo" as well as many of the officers of the Bank and their wives had also been invited. Sir Herbert had a party of 50 at his luncheon, and all thoroughly enjoyed it. The time allowed was, however, rather short, as we had been advised that our ship would sail not later than 3.30, which made it imperative that we should leave the Club-house a little after half-past two.

Before we left, however, Mr. Syllas Strawn, of Chicago, one of the guests, made a brief though witty speech in proposing Sir Herbert's health, to which he made a suitable response. Mr. Neill was also toasted and thanked the company in proper style.

The Golf Links are, we judged, very good, although we had no opportunity to try them, and the grounds immediately around the Club-house are very attractive, with flower beds and grass lawns, as well as tennis courts and other amusement of this character.

Our ship left Havana about 4 p.m., and we had a pleasant sail that afternoon, and the two following days, Saturday and Sunday. We were in the gulf stream headed north, and the running record of the

*Friday,* ship was 100 miles better each of these days than it  
*10th April* had been on any other part of the voyage. This  
*Continued* was accounted for by the strength of the gulf stream, which seemed to us quite extraordinary, and indicated the tremendous volume of water that this current must carry, as it is over 20 miles wide and in some places very deep.

*Monday,* On Monday it began to be a little cooler, the wind  
*13th April* a little stronger, but the sea was quite smooth, and apart from the effort of having to pack up our trunks preparatory for going ashore the following day, we spent another very pleasant day on board ship.

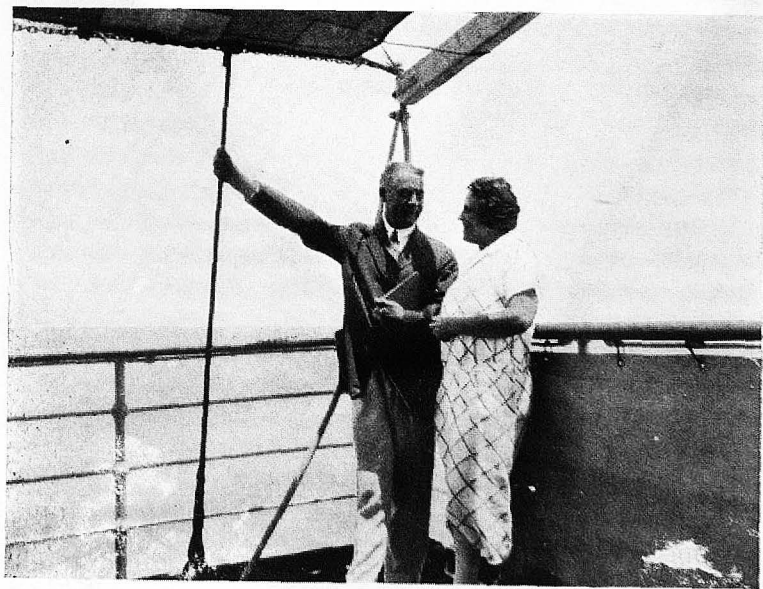
*Tuesday,* We arrived at Sandy Hook about 6 a.m., but  
*14th April* had to wait for some time before we could get the Doctor aboard. Finally this was accomplished and the ship was cleared for health purposes, arriving at the pier in New York about 10.30 a.m., where we had to wait some time owing to the inadequate method of handling baggage. This job is in charge of the shore people on the dock, the ship's own machinery not being allowed to take any part in this particular work. After waiting what we considered an unreasonable time, we finally took the law into our own hands and hired special porters to get our trunks on the dock and inspected by the customs officers, which was accomplished in due course, enabling us to reach the Biltmore Hotel at noon.

I went down town for luncheon, having an appointment to meet my nephew, Mr. W. K. White, and then made some other calls. I finally called at the Bank, and accompanied Mr. Walker, the Manager, up town to meet the rest of the party. We dined together at the Biltmore Hotel before we took our various trains for home. Those for Montreal arrived at 8 a.m. Wednesday, April 15th, thus completing a most instructive and enjoyable trip.

I wish to express to Sir Herbert Holt and Mr. C. E. Neill my appreciation of their kindness in inviting me to accompany them on this tour of South America, and also to thank Mr. C. C. Pineo and the many branch managers and other officers at the various cities we visited, for the attention and courtesy which was universally shown not only to myself, but to every member of the party. Mr. Pineo had not only the arranging of the tour, but personally conducted it. Only those who have had the experience of a touring party of seven, on a ten weeks' trip in a territory where the language is foreign, can appreciate the ability and good-nature he is possessed of when it is stated that we all parted from him at Callao with regret and a genuine feeling of gratitude for his many courtesies to us all.

I hope I may be able, in some measure, to return these courtesies should any of these gentlemen who were so kind to us visit Montreal.

*Tuesday,*  
*14th April*  
*Continued*



THE AUTHOR ON BOARD THE "ESSEQUIBO"

The Chairman of the British Bank of South America, at the Annual Meeting held in London on May 14th, 1925, made the following comment on the trade conditions in Brazil:

"Owing to the very dry weather in the State of Sao Paulo during September-November last the price of coffee advanced materially. The latest foreign trade statistics published cover the ten months ended October, 1924, and, although the quantity of coffee exported during that period was only about 378,000 bags of 120 lbs. each more than that shipped in the corresponding period of 1923, as a result of the higher prices ruling the value was £20,200,000 greater, at £57,670,000, this figure, indeed, representing nearly 75% of the total merchandise exports of £77,000,000. The latter total exceeded imports by about £22,580,000, as against a surplus during the same period of 1923 of £16,867,000, and on this basis it is probable that 1924 closed with a balance of trade favourable to Brazil of some £27,000,000. With the object of maintaining prices of coffee at a profitable level, the Government of the State of Sao Paulo have formed the 'Institute Panlista de Defesa Permanente de Cafe,' which is undoubtedly of considerable benefit to the planters.

"In regard to the other principal Brazilian products, further expansion in exports of cocoa occurred during the first ten months of 1924, while shipments of oil-producing seeds, tobacco, and hervamate, although less in volume, were all higher in value. Exports of rubber were about 2,500 tons higher, but the value was £123,000 less at £1,362,000. The expansion in the frozen and chilled meat industry, which has been an outstanding feature of Brazilian trade for the past year or so, was unfortunately impeded in 1924 by the military revolt, the consequent disorganization of transport and the con-

tinued disturbance in the interior having affected supplies. In spite of these adverse factors, however, shipments of meat totalled 73,314 tons in the first ten months of 1924, as compared with 69,272 tons in the corresponding period of 1923, the value rising to over £2,000,000. There can be no doubt that, with the restoration of normal conditions ensuring supplies to the frigorificos, the latter are certain of finding markets for their products on the Continent of Europe.

"An industry which is making considerable progress in Brazil is cotton-growing. Although exports of raw cotton during the first ten months of 1924 were only about one-third the quantity of those in the corresponding period of 1923, this diminution was entirely due to the fact that owing to the expansion of the Brazilian textile industry, local manufacturers took up practically the whole of the available supply. The forthcoming crop in Sao Paulo is estimated at about 30,000,000 kilos (66 million pounds), or nearly double that of 1924, and in consequence there may be a surplus available for export this year."

"At the time when the 1923 Budget was introduced the Commission on Finance showed that the total deficit for the decade ended 1923 was over 3,000,000 contos (paper), which at a rate of exchange of 6d. represents £75,000,000 sterling. The effect of this long series of deficits had been, as the Commission pointed out, that the country had had to borrow both internally and externally, and had resorted to inflation. The Budget for 1924 estimated total expenditure at 1,309,400 paper contos, and revenue at 1,362,248 paper contos, but the Government's efforts to economize have been nullified by extraordinary expenditure involved in suppressing the revolt, and, as a result, the year actually closed with a deficit of about 89,737 contos (paper) on the basis of the paper milreis being worth 6d."



"At Sao Paulo the prolonged drought has considerably affected coffee and other crops, and as the electrical companies are unable to supply more than a percentage of the power normally used by manufacturers, factories are restricted in their electric power supply to two days per week. This has naturally depressed the Sao Paulo market and there appears little chance of improvement for some time to come. There is severe congestion at the Port of Santos, although everything possible is being done to improve the situation. While coffee-growing gives such good profits planters are not tempted to experiment with cotton, but experts report that the State of Sao Paulo is very well adapted to cotton-growing on a large scale, and several foreign syndicates have commenced operations."

"The Argentine statistics of foreign trade are as follows:—Imports for 1924 were about \$20,000,000 lower than in 1923, at \$828,709,993 (gold), while exports expanded by no less than \$240,033,000 to a total of \$1,011,394,582 (gold), establishing a favourable balance of trade of \$182,684,589, which is roughly the total of the adverse balances of the three preceding years. The total value of shipments of agricultural produce last year amounted to \$571,965,000 (gold), against \$413,697,000 in 1923, the quantities of grain exported comparing as follows:

	1924	1923
	Tons	Tons
Wheat.....	4,508,000	3,765,124
Maize.....	4,644,000	2,923,048
Oats.....	730,000	458,584
Linsced.....	1,420,000	1,105,267

"Exports during 1924 of all products relating to the meat trade totalled in value \$406,185,000 (gold)

against \$323,698,000 (gold) in 1923. The greatest expansion shown in the group was in shipments of chilled and frozen meat, largely owing to the development of fresh European markets, a total of 953,000 tons valued at \$166,772,000 (gold) having been exported against only 739,000 tons worth \$121,865,000 in the preceding year. There were also larger shipments of hides due to the increasing German demand, exports of salted ox-hides totalling 169,000 tons valued at \$62,087,000 (gold) as compared with 123,600 tons worth \$47,287,000 (gold) in 1923. The wool clip once again showed a diminution in volume and shipments were about 18,000 tons less in 1924, at 113,200 tons, but owing to the higher prices ruling the value was about \$11,000,000 greater, at \$69,493,000 (gold).

"The dairy industry of Argentine is making excellent progress, as is also cotton-growing. The area sown to cotton for the 1924-25 season was 105,000 hectares, as compared with 62,658 hectares in the preceding season, and 22,864 hectares in 1922-23, whilst the forthcoming cotton crop is reliably estimated at 48,600 tons, as compared with 1923-24 crop estimates varying between 12,000 and 25,000 tons. The cotton already picked is reported to be generally of good quality. Sugar growers experienced a normal year, while the production of wine was somewhat above the average and is now practically sufficient to meet the local demand for ordinary wines. The quebracho extract industry held its own during 1924, 180,912 tons having been exported as compared with 166,400 in 1923. The Argentine oil industry continues to expand, the value of production of oil and by-products during 1924 having reached \$19,232,588 (paper), whilst the Government has approved the estimate of expenditure of \$57,680,000 (paper) for operation and development of the oilfields during the current year.

"With regard to the national finances of Argentina, it is very satisfactory to note that, for the first time for some years past, expenditure has not exceeded estimates, and indeed, in February last the Minister of Finance provisionally estimated a surplus in the main Budget for 1924 of \$1,119,000 (paper)."



ROUTE TAKEN BY OUR PARTY  
Approximately 17,000 miles







